GOVERNMENT OF INDIA

MINISTRY OF FINANCE

BUDGET FOR 1959-60

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MINISTRY OF FINANCE

BUDGET FOR 1959-60

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Speech of Shri JAGJIVAN RAM introducing the Railway Budget for 1959-60 on 18th February, 1959

MR. SPEAKER,

Sir, I rise to place before the House the estimates of receipts and expenditure of the Indian Railways for the year 1959-60.

Financial Results of 1957-58

2. As usual, I shall deal first with the completed accounts of the previous year. The actual Gross Traffic Receipts were Rs. 379·78 crores, against the Revised Estimates of Rs. 384·40 crores, that is, a shortfall of Rs. 4·62 crores, which was under both passenger and goods traffic. There was a marked decline in traffic from about the middle of January, 1958. The Ordinary Working Expenses showed an increase of Rs. 5·02 crores over the Revised Estimates of Rs. 259·16 crores. This increase in working expenses was largely under repairs and maintenance expenditure, incidental partly to the steadily expanding railway assets and partly to various safety measures taken to minimise accidents to the maximum extent practicable. After allowing for other smaller variations, the net surplus came to Rs. 13·38 crores, against the Revised Estimate figure of Rs. 21·66 crores. The entire surplus of the year was credited to the Development Fund.

Review of the Railway's Second Five Year Plan

3. Before I come to the Revised Estimates of the current year, I shall give the House a brief resume of the progress made in the Railway's Second Five Year Plan, as three years of the Plan will be completed on the 31st March, 1959.

4. During 1956-57, the first year of the Second Five Year Plan, the total tonnage lifted was 124 million tons against 114 million tons in 1955-56; that is, an increase of about 8·8 per cent. In 1957-58, the tonnage lifted rose to 132 million tons, a further increase of about 6·5 per cent. over 1956-57. For the current year, the further increase in traffic is not likely to be more than 5 million tons over the 1957-58 figure, as against the anticipated increase of 12 million tons over 1957-58. Except for the increase in coal traffic, the rest of the increase in goods traffic has been much less than anticipated; and, in fact, there has been a drop in the case of agricultural products.

5. As regards the expenditure on the Railway Plan, the outlay rose to Rs. 251·47 crores in 1957-58, against an outlay of Rs. 179 crores in the first year. It is expected to be Rs. 245·25 crores in the current year. A provision of Rs. 235 crores is being made in the Budget. This will leave a balance of about Rs. 211 crores for 1960-61, the last year of the Plan, out of the total of Rs. 1121·5 crores allotted to the Railway Ministry under the Plan. As the House is aware, the Railway's Second Five Year Plan has had to be rephased so as to accommodate, within the provision of Rs. 1121·5 crores, the rise in the cost of material and labour as well as

reduction in the foreign exchange element. Even though the increase in goods traffic in the current year has fallen below anticipations, there is every reason to expect that there will be additional demand for rail transport to the extent of about 14 million tons in 1959-60, with the Steel Works going into various stages of production, with agricultural crop being more promising, and with the opening of the Ganga Bridge to traffic. The originating freight traffic which the Railways may be called upon to handle by the end of 1959-60 will thus be about 151 million tons. The indication therefore is that the estimate of 162 million tons at the end of the Second Five Year Plan (*i.e.*, at the end of 1960-61) will be reached. I may assure the House that every endeavour will be made to develop the capacity of the Railways to meet this demand.

Review of 1958-59—Operation

6. The increase in wagon loadings on the Broad Gauge during the year has been only about 2 per cent. to the end of December, 1958 as compared to the corresponding period of the previous year, while there has been a shortfall of more than 7 per cent. on the Metre Gauge. Large scale food-movements were made to meet the demands of the deficit areas affected by drought in North Bihar. During August, 1958, over 3,600 Broad Gauge wagons carrying about 80,000 tons of foodgrains were transhipped at various points for stations in North Bihar, in spite of difficulties at the riverine transhipment points. In addition, about 3,000 Metre Gauge wagon loads, with approximately 35,000 tons of foodgrains, were moved to North Bihar from Kandla and other Metre Gauge stations of Northern, Western and Northeastern Railway systems. With the formation of a separate Zonal Railway Administration, the movements over the Assam Rail Link improved and the demands for Assam on the whole were also met satisfactorily.

7. The overall coal loading in the country during the current year, upto November, 1958, was a record figure of 4,995 daily, as against 4,660 wagons during 1957-58, registering an increase of 7·2 per cent. The increase in earnings is not commensurate with this increase, as coal is not a high-rated traffic. In the Bengal and Bihar Coalfields, coal loading averaged a record figure of 3,971 wagons per day, as compared to 3,700 wagons during the previous year. Steady improvement in the movement of traffic *via* Moghalsarai was maintained; an average of 2,176 wagons were moved daily in the upward direction, compared to 2,037 and 1,881 during the previous two years.

8. The trend of decline in traffic, which commenced early in 1958, continued till about November, 1958. The decline in freight traffic in 1958-59, as compared to 1957-58, has been pronounced under grains and pulses on the Broad Gauge, and under oilseeds, cotton, jute and sugarcane on both Broad and Metre Gauges. The demands for wagons for goods transport generally were slack practically throughout the country except on a few difficult routes through which the pressure of traffic continues. The greater availability of wagons, even during the busy season, was notified through the Press, and Trade was invited to take advantage of this. A development, which has come to notice in this connection, is the diversion of high-rated traffic to road transport on routes parallel to the Railways where Railways have enough capacity to move additional traffic. This matter is receiving attention, with a view to seeing what readjustments are necessary in order to ensure the maximum utilisation of our limited transport resources.

9. A significant development in Railway operation during the year is the adoption of diesel traction on a few selected routes. A beginning has also been made in the use of centre buffer couplers for hauling heavier goods trains.

Revised Estimates for 1958-59

10. It is now estimated that the goods earnings during the current year will be Rs. 245·83 crores, or a shortfall of Rs. 4·67 crores as compared to the Budget anticipation of Rs. 250·50 crores; the passenger earnings are now expected to be Rs. 116·30 crores, against Rs. 124·73 crores in the Budget Estimates. Under Other Coaching Earnings and Sundry Earnings, there may be minor compensating variations. In the result, Gross Traffic Receipts for the current year are now estimated at Rs. 394·38 crores, or a shortfall of Rs. 13·10 crores as compared to the Budget Estimates. Against this, there is a fortuitous credit of Rs. 2·63 crores on account of the write back to revenue, of the Government contribution and interest thereon in the State Railway Provident Fund account of railway employees who have elected the Pension System of retirement benefits in lieu of the State Railway Provident Fund benefits.

11. The Revised Estimate of Ordinary Working Expenses is Rs. 274·22 crores, that is, an increase of Rs. 5·87 crores over the Budget Estimate of Rs. 268·35 crores. Out of this increase, an amount of nearly one crore of rupees is attributable to the increase in the price of coal (75 nP. from 17th May, 1958, which increase was reduced to 41 nP. per ton from 17th October, 1958). Besides this, there has been increase due to payment of arrears of sales tax not provided, the cost of materials having gone up more than anticipated, additional expenditure on various measures for safety, such as patrolling of bridges and increased expenditure on the rehabilitation and maintenance of track and bridges as well as on the increased number of rolling stock turned out after repairs from the workshops and sheds.

12. The net surplus for 1958-59, after allowing for other variations in the revenue account including a reduction of about Rs. 2·6 crores in the expenditure on Open Line Works chargeable to Revenue, is now expected to be Rs. 13 crores. This surplus will be credited to the Development Fund.

13. The Revised Estimate of expenditure on Works, Machinery and Rolling Stock during the current year has now been placed at Rs. 245·25 crores—a reduction of about Rs. 14·75 crores from the Budget Estimate.

14. At this stage, I shall refer briefly to the position of the balances in the different Funds. The Depreciation Reserve Fund and the Revenue Reserve Fund, are anticipated to have sizeable balances on the 31st March, 1959, of about Rs. 50 crores each. The Development Fund, however, was left with an opening balance of Rs. 1·85 crores only on the 1st April, 1958, as a result of the net Railway surplus in 1957-58, after payment of dividend to General Revenues, having come down to Rs. 13·38 crores. This Fund, which is fed only by the net surplus accruing each year, will further contract as a result of the relatively small surplus expected during the current year (Rs. 13 crores). The total provision for expenditure from the Development Fund in the Railway Plan is of the order of Rs. 92 crores, so that with an annual accretion of about Rs. 13 crores in two successive years, a loan from General Revenues to finance the Railway Development Fund expenditure has become unavoidable. As the House is aware, this Fund which is built from Railway surplus is designed to meet the cost of works for providing amenities to passengers and other Railway users, the cost of Labour Welfare works estimated to

cost individually more than Rs. 25,000, as well as operating improvements found necessary from time to time, such as improvements in signalling and train control equipment and other safety measures, improvement in watering arrangements, etc. In fact, the Railway Convention Committee, 1954, did envisage occasions when the Development Fund may not be in a position to meet the programme of expenditure chargeable to that Fund from its own resources, and recommended that, in such circumstances, general revenues could advance a temporary loan. Every effort has been made to reduce expenditure, yet a loan of about Rs. 11 crores is necessary in the current year, and arrangements for this have been made.

15. Before I turn to the proposals for the Budget year, I would like to say a few words about the present Convention governing the arrangements between Railway Finance and General Finance. As the House is aware, the present Convention covers the period upto the 31st March, 1960. In the ordinary course, I would have requested the House to set up the next Convention Committee in order to review the working of the present Convention and submit recommendations in advance of the next quinquennial period (1960—65). It is necessary, however, that this Committee, by the time it meets, should have a reasonably accurate appraisal of the Railways' financial position, obligations and surplus resources during the next few years. As such an appraisal is made for the purpose of each Plan, it will be convenient if future Conventions synochronise with each Plan period. This can be achieved by extending the period covered by the present Convention by a year, *i.e.*, upto the 31st March, 1961. The new freight structure has been brought into effect from 1st October, 1958; and if the Convention Committee is set up now, it will not be possible to assess the full financial effect of the freight charges for the purpose of estimating the Railways' earnings for the next few years on a reasonably correct basis. Similarly, on the expenditure side, the Pay Commission's Report is awaited. These considerations emphasise that a realistic assessment of the Railways' financial position will only be possible about a year hence. Indeed, the Convention Committee, 1954, had referred to the need, at the end of each quinquennial period, to make a reasonable forecast of the Railways' financial position in the light of the expansion of their activities as a result of the implementation of the Plan, and this reinforces my proposal for the extension of the present Convention by one year, *i.e.*, upto the 31st March, 1961. I shall move a formal Resolution for this purpose shortly, for the approval of the House.

Budget for 1959-60

16. I now turn to the Budget Estimates for the year 1959-60. The fall in passenger traffic in 1958-59 was unexpected, but the recent months indicate an improving trend. After careful consideration, the estimate under this head for 1959-60 has been placed at Rs. 118·30 crores—an increase of only Rs. 2 crores over the current year's Revised Estimate of Rs. 116·30 crores. The estimate of Other Coaching Earnings has been placed at Rs. 24 crores, *i.e.*, Rs. 45 lakhs less than the current year's Revised Estimate of Rs. 24·45 crores, in order to allow for any drop in parcel traffic.

The estimate of Goods Earnings has been placed at Rs. 272·58 crores—an increase of Rs. 26·75 crores over the Revised Estimate of the current year. This includes an increase of Rs. 5 crores to cover the effect of a full year's increase in the goods freight rates introduced from 1st October, 1958. This estimate is based on the expectation that, in the coming year,

the Railways will be called upon to carry about 14 million tons of additional goods traffic, bringing the total freight traffic to about 151 million tons. This 14 million tons increase is made up of about 3 million tons of general goods traffic, 3 million tons of coal, and about 8 million tons transport (ore, coal and finished products) for the Steel Works. It is expected that 3 million tons of additional traffic in general goods will materialise with the anticipated increase in general industrial activity, particularly as a result of the Steel Works going into production, increase in food production over the current year, and increased rail movement expected between Assam, North Bihar, East U.P. and the rest of India with the opening of the Bridge over the Ganga at Mokameh to traffic. The additional transport of 8 million tons for the Steel Works will cover the requirements of Tata Iron & Steel Company and the Indian Iron & Steel Company, which are expected to go into full production by April, 1959, as well as the requirements of Rourkela and Bhilai, and to a small extent of the Durgapur Steel Plant which may go into production later in the Budget Year.

Sundry Earnings in 1959-60 are estimated at Rs. 8·40 crores. After allowing for the normal variations in the traffic suspense (*viz.* an increase of Rs. 40 lakhs over the Revised Estimates of the current year), the Gross Traffic Receipts for 1959-60 are estimated at Rs. 422·03 crores.

17. The Budget Estimate of Ordinary Working Expenses for 1959-60 has been placed at Rs. 283·71 crores—an increase of Rs. 9:49 crores over the Revised Estimate of the current year. This increase is made up of the Revised Estimate of the current year. This increase is made variations in personnel (about Rs. 2 crores) and is also due to increase of nearly Rs. 1 crore in the expenditure on Staff Welfare, increase of about Rs. 2·5 crores in repairs costs which covers the additional assets (*i.e.* newly opened lines, additional rolling stock, etc.) created in 1958-59 and to be created in 1959-60, and about Rs. 4 crores under operation (*viz.* staff, fuel, etc.) necessitated by the anticipated increase in transport requirements. A close check continues to be exercised over expenditure.

18. In my Budget Speech last year, I had referred to the setting up of an Expert Committee on Coal. This Committee submitted their report in August last. They have analysed the effect of rising cost and freight on the Railway Fuel Bill, and found that in the recent past the consumption trend generally has been favourable. The Committee, however, have indicated scope for reducing coal consumption and expenditure—mainly by improving the quality of coal and by strict control on pilferage, losses and wastages. The Committee have strongly emphasised the necessity for improvement of the quality of coal by introducing direct purchase contracts between the Railways and collieries and more effective inspection. The Committee's recommendations are being pursued with the Ministry of Steel, Mines and Fuel, who control supplies and inspection.

19. The Programme of Open Line Works chargeable to Revenue has been reduced in the current year in the light of the available net revenue. It is however proposed to spend nearly Rs. 3 crores more on this account in 1959-60 than in the current year, reflecting the progressive increase in the tempo of works. With further capital expenditure on works, there would be an increase of about Rs. 4·5 crores in the Dividend payable to the General Finance over the current year's Revised Estimate. The Revenue Surplus for the Budget year is expected to be about Rs. 21·19 crores, which I propose to credit to the Development Fund. Even with this credit, a loan may have to be taken from the General Revenues in the Budget year also, as in 1958-59.

20. In my Budget Speech last year, I had mentioned that electrification from Howrah to Moghalsarai on the Eastern Railway and from Asansol to Tatanagar-Rourkela-Rajkharswan-Barajamda on the South-eastern Railway will be completed during the Second Five Year Plan period. In view of the urgency of the work, its technical complexities and the wide field of contacts to be covered, a separate administration under a General Manager and Chief Engineer was set up in June, 1958 to administer the Project. Along with detailed work in the field, arrangements for power supply and modifications in telecommunication have been made, and orders for supply and erection of overhead equipment placed for Durgapur-Gaya, Asansol-Sini, Tatanagar-Rourkela, Rajkharswan-Dangoaposi and Kanda-Gomharria sections. Steps are also being taken to arrange for starting work on the remaining sections, while assisting the build-up of indigenous capacity for the requirements of overhead equipment, etc. In order to meet the urgent requirements of traffic in the coal belt area and in the Calcutta suburban sections in Sealdha Division some rephasing of works, as necessary, is being done. For sections the electrification of which will be continued during the Third Plan, preliminary civil engineering works, like slewing of track, removal of infringements, etc. are also being taken in hand.

As regards electrification of Madras-Villupuram section in the South, I am glad to report that it will be possible to make headway now that power supply has been assured.

21. The supply of critical materials during the current year remained generally satisfactory, with the result that the Works Expenditure maintained its tempo evenly. The difficulty in the procurement of fabricated bridge girders, to which I alluded in my last Budget Speech, has greatly eased with the supplies now being received.

22. The work on various projects is in full swing. During the year, 1500 Engineers and Engineering Supervisors at various levels and about 2 lakh workers have been working on the various projects on the Railways apart from workmen engaged on track renewal and other normal railway works. The third year of the Plan has witnessed the peak of constructional activity on the Railways. Out of the total of 1848 miles of new lines and doublings under execution, 423 miles (*i.e.*, 173 miles of new lines and 250 miles of doubling) have been opened to traffic during the current year. Construction is in hand of 525 miles of new line projects. These are the Chandrapura-Muri-Ranchi-Hatia, Bondamunda-Dumaro, Bhilai-Deorjhal, Barabil-Pamposh Gorge, Bondamunda-Nowagaon-Purnapani, Damodar-Kalipahari, Bijuri-Karaunji, Gidi-Saunda-Bachra branch lines in the Jarangdih and Karanpura Coalfields, Kumedpur-Barsoi, Robertsganj-Garhwa Road, Ghaziabad-Tuglakabad including the Second Yamuna Bridge, the remaining 130 miles of the Khandwa-Hingoli, and the Baraset-Hasanabad. In addition to these, 900 miles of doublings are in progress, made up of 430 miles on the Southeastern Railway, 190 miles on the Southern Railway, 100 miles on the Western Railway, 90 miles on the Northern Railway, 40 miles on the Central Railway and 50 miles on the Northeastern Railway.

The Rohtak-Gohana restoration on the Northern Railway was opened to Goods Traffic on 31st October, 1958, and to passenger traffic on 29th December, 1958.

23. The work on strengthening of the Assam Rail Link Route is progressing according to schedule. During the first working season of 1957-58, rebuilding of as many as 17 bridges has been completed. Considerable

work has also been done for improving and strengthening the protection works to embankments and bridges. It is programmed to rebuild another 20 bridges during the current working season and complete other ancillary works.

24. The bridge over the Ganga at Mokameh is expected to be opened to traffic in April this year. This indeed will be a commendable performance.

25. The work on the Brahmaputra Bridge is also progressing satisfactorily. The quarry sidings have been laid, base camp built and the construction workshop set up. The work on the sinking of two well piers is in hand.

26. The estimate for the Works, Machinery and Rolling Stock Programme for the Budget year has been placed at Rs. 235 crores, leaving about Rs. 211 crores for the last year of the Plan. The Capital Budget of Rs. 235 crores includes about Rs. 80 crores under Rolling Stock, Rs. 5 crores under Machinery and Plant, Rs. 47 crores under construction of new lines and restoration of dismantled lines, Rs. 37 crores under track renewals and nearly Rs. 66 crores under Other Open Line Works, etc.

27. With a view to reduce the time-lag attendant on the commencement of new line projects to the minimum, as a first step towards the achievement of targets of the Third Plan, and also to maintain the constructional activity generated in this Plan period, it has been decided to initiate action on certain new line projects which would mature in the Third Plan period. These new lines would either traverse difficult terrain or are likely to encounter special problems such as would take time—namely, in land acquisition or heavy formation and bridge work. Such new lines aggregate to nearly 500 miles, and are Udaipur-Himmatnagar, Jhund-Kandla, Tildanga-Farakka, Khajuriaghat-Malda, the Delhi Avoiding Line and the extension of the rail-head from Madhopur across the Ravi into the State of Jammu and Kashmir. The Guna-Ujjain and Bakhtiarpur-Rajgir links will also be commenced during this year. Other lines included in the Budget Year are the 115 mile long Sambalpur-Titilagarh line and the link from Bimlagarh to Kiriburu; these projects will assist in the export of 2 million tons of iron ore through the Vizag Port.

I would also like to refer to the possibilities of construction of three new lines—namely, Mangalore-Hassan, Diva-Dasgaon and Patharkandi-Dharmanagar links, which are under active consideration. Further, there is an offer of "Shramdan" labour for earthwork, etc. from the Rajasthan Panchayat Sangh, for the construction of a Broad Gauge link between Hindumalkot, a frontier station on the Broad Gauge of the Northern Railway, and Sri Ganganagar on the Metre Gauge. The question of making a beginning involving commitments only to a limited extent in initial stages to judge how far the offer referred to, will materialise, is also under examination.

Provision has also been made in 1959-60 for Phase II of the conversion of Gudivada-Bhimavaram-Vijayawada-Masulipatam section of the Southern Railway from Metre Gauge to Broad Gauge, estimated to cost about Rs. 3 crores, and doubling of Rajahmundry-Samalkot section at an estimated cost of Rs. 1·32 crores. These would meet the need for increasing the line capacity on the Southern Railway to cope with the anticipated increase in traffic at the end of the Second Five Year Plan.

28. Due to the improved supply position of rails and sleepers, the Track Renewal Programme has been considerably stepped up during the current year and the progress is expected to be maintained in the Budget year.

29. The provision for Amenities for Railway Users has been kept as usual at about Rs. 3 crores, while a provision of about Rs. 10 crores has been made for staff amenities and staff quarters.

30. Three new surveys were sanctioned during the course of the current year. One is for 250 mile line from Bailadilla to Kottavallasa *via* Koraput, in the context of Dandakaranya Scheme for the rehabilitation of the displaced persons from Bengal, the other for Kiriburu-Bimlagarh link and the third for Korea Coalfields taking off from Bijuri-Karaunji Line.

Of the 900 miles of surveys carried over from the programme of the previous years, nearly 600 miles for the following projects have been completed:

Nimtita-Tildanga on the Eastern Railway;

Domohani-Alipur Duar on the Northeast Frontier Railway;

Kosikalan-Bharatpur, Kurudwadi-Miraj-Kolhapur, and Orai-Jalaun on the Central Railway;

Jagadhri-Chandigarh, Una-Nangal and Tughlakabad-Ghaziabad on the Northern Railway;

Maurigram-Dankuni and Sambalpur-Titilagarh on the Southeastern Railway; and

Muzaffarpur-Darbhanga on the Northeastern Railway.

31. In my Budget Speech last year, I made mention of the 90 million dollars loan obtained for rehabilitation, modernisation and expansion of the Indian Railways, from the World Bank. This loan has been fully drawn. As the House is aware, we have since been able to obtain a further loan of 85 million dollars from the World Bank. Besides, the Development Loan Fund authorities in U.S.A. have also agreed to two loans of 40 million and 35 million dollars. Apart from these loans, assistance has also been received under the Indo-American Technical Co-operation Programme and the Colombo Plan. A loan of 20 million dollars from U.S.A. and 8 million dollars from Japan have become available for the Orissa Iron Ore Project in which the Railways are interested jointly with the Port and Mining authorities.

32. There has been steady progress towards the objective of self-sufficiency in the country in the manufacture of steam locomotives, carriages, underframes and wagons. In the Budget year (1959-60), out of the total provision of about Rs. 80 crores for rolling stock, about Rs. 68 crores will be spent in the country and only about Rs. 12 crores (including Sea-freight, etc.) on imports. Two new wagon building firms entered the field of production during the current year. The Railway Ministry has taken over the procurement from abroad of plates for wagons to the extent that the Iron and Steel Controller is unable to obtain supplies from indigenous sources.

Proposals for the progressive manufacture in the country of the mechanical components of electric locomotives, starting with the assembly of knocked down locomotives, have been sought from the manufacturers

supplying electric locomotives on the Eastern and Southeastern Railways. The electric components for the indigenously manufactured electric locomotives may have to be imported in the initial stages, until these can be supplied by the Heavy Electricals Plant, Bhopal. The development of indigenous capacity for the manufacture of diesel locomotives has also been taken up.

33. The indigenous production of railway equipment other than rolling stock and rolling stock parts also continues to make headway. The Development Cell in the Railway Board's Office, in close association with the Industrial Development Wing of the Ministry of Commerce and Industry, has succeeded in assisting the development of further manufacturing capacity in the country which will have the effect of conserving the much needed foreign exchange. There was significant increase in the domestic production of important railway equipment such as mechanical signalling, thermic syphons, pressure castings, signal glasses, vacuum and steam pressure gauges. Some of these were produced for the first time in India. In most cases, imports have been completely eliminated, and where these are inescapable, are now restricted only to the specialised items of railway equipment. The production of mechanical signalling equipment in the country—both in Railway shops and in the private sector—has greatly reduced the difficulty in regard to the availability of signalling equipment to which I made a reference in my Budget Speech last year. The Indian Railways Central Equipment Advisory Committee and the four Zonal Committees at Delhi, Calcutta, Bombay and Madras have continued to provide a useful forum at which representatives of Trade and Industry can bring their problems and difficulties.

34. The Chittaranjan Locomotive Works produced 164 locomotives in 1957-58, and expect to produce 168 locomotives in the current year and the same number in the next year. A Steel Foundry of 7,000 ton capacity is being set up at Chittaranjan as an essential adjunct to this production unit.

35. TELCO works delivered 85 locomotives in 1957-58 and are expected to deliver 100 locomotives in the current year and the same number in the Budget year.

36. The Integral Coach Factory turned out 222 unfurnished coaches during 1957-58. 295 unfurnished coaches are expected to be produced during the current year, while the Factory would reach its present target of 350 unfurnished coaches in the next year with single shift working. With a view to produce more coaches a second shift will be introduced shortly. The average cost of manufacture has also come down progressively. Against Rs. 1.21 lakhs per unfurnished coach in 1957-58, the cost is expected to be Rs. 95,000 in the current year. The temporary furnishing unit set up within the factory furnished 178 coaches upto November, 1958 It is hoped that this will soon be replaced by a permanent furnishing unit with the capacity to furnish all the coaches turned out.

37. There has been progressive increase in the production of rolling stock in the country. Against 234 steam locomotives and 15,985 wagons received by Railways in 1956-57, 249 locomotives and 17,731 wagons were received in 1957-58, the number of locomotives going up to 268 in the current year, while another 268 locomotives and 17,900 wagons will be received in 1959-60. As regards coaches, 474 Broad Gauge, 185 Metre Gauge and 38 Narrow Gauge bogie third class carriages were manufactured and put into service in 1957-58, in addition to 186 Broad Gauge, 195 Metre Gauge and 31 Narrow Gauge composite coaches containing third

class accommodation. During the current year, 277 Broad Gauge, 175 Metre Gauge and 4 Narrow Gauge bogie complete third class coaches and 90 Broad Gauge, 183 Metre Gauge and 1 Narrow Gauge composite coaches having third class accommodation have been manufactured and put into service upto the end of October, 1958. A total of 2,008 coaches, in addition to 104 electrical multiple unit coaches, is expected to be received in 1959-60, against a total of 1,538 coaches expected to be received in the current year and a total of 1,248 coaches received in 1957-58.

In the context of increasing indigenous production of rolling stock, I would like to make a passing reference to improvements in railway workshops with a view to meet the steadily increasing maintenance load and to also increase productivity. A Productivity Cell has recently been set up, in keeping with the drive for increased productivity launched by the National Productivity Council, and it is hoped that the activities of this Cell will result in improvements leading to higher productivity.

38. The House, I am sure, will be glad to know that the Joy Ride train in Bal Bhavan was inaugurated in the Capital in November, 1958. The idea had its origin in a suggestion by the Prime Minister and the train's inauguration on his birthday was a fitting fruition of this idea. The working of the train has been now handed over to the Bal Bhavan Board. It will provide the children of the Capital with a popular means of entertainment and general education.

39. During the past year, the Railway Testing and Research Centre carried out performance tests on new Locomotives—notably the Alco Diesel Electric Locos; impact tests on the new 80 ton-bogie wagons designed and built in India; and riding quality trials on various designs of bogies for passenger vehicles. By extensive trials on rails of Thomas steel, their suitability for Indian conditions was established. Other research activities centred round the profitable utilisation of coal ash, of which nearly a million tons are produced by steam locomotives every year, the development of concrete sleepers, the treatment of boiler feed water with indigenous softening compounds, and the preparation of paints and bituminous emulsions from indigenous materials. In addition, the development from indigenous materials of a bituminous emulsion, which will provide a cheap anti-corrosive paint for steel, has also been patented. Eight other patents were taken out for other new materials and equipment developed by the Research Centre.

40. I have already explained on previous occasions the difficulties confronting the Railways in eliminating overcrowding. All possible measures are, however, being taken to reduce overcrowding in areas where it is most acute. Available resources are being distributed in a manner which will even out the overcrowding on different Railway Zones and different areas in the same Zone. It is not possible to provide additional Rolling Stock beyond the financial resources available, but a concerted effort is being made to mitigate overcrowding by intensive usage and retention of overaged stock by proper repair. As a result of these special measures and as additional rolling stock become available, it is expected that there will be an increase in the seat mile capacity on the Broad and Metre Gauges of Indian Railways by about 24 per cent. by the end of the Second Plan compared to what it was at the end of the First Plan.

During 1957-58, 71 new passenger trains were introduced—38 on the Broad Gauge, 31 on the Metre Gauge and 2 on the Narrow Gauge. In the current year upto 1st December, 1958, 45 trains were introduced on the Broad Gauge and 13 on the Metre Gauge. The run of 18 Broad Gauge trains, 36 Metre Gauge trains and 2 Narrow Gauge trains was extended

in 1957-58, and of 16 more Broad Gauge trains and 28 more Metre Gauge trains in the current year. A number of new suburban services were also introduced on various Railways. Against 92 new trains on the Broad Gauge in 1957-58, 52 Broad Gauge trains were introduced upto 1st December, 1958 in the current year, while the run of 36 trains was extended, as against 16 trains in 1957-58. Besides these, 28 electric suburban trains were also introduced on Eastern Railway upto 1st December, 1958, and the run of 8 trains was extended in the current year, against 8 such new trains introduced in 1957-58. A tri-weekly Janata Express train has been introduced between Delhi and Ahmedabad from 1st October, 1958. With all these new trains and extensions, the daily train mileage will have increased by about 15,000 miles in the two-year period 1957-58 and 1958-59.

We have recently provided holiday camping coaches at some of the important holiday centres for the benefit of the Railway passengers. It is the intention to provide such coaches at some more stations where retiring rooms are not available. The facility of sleeping accommodation in third class has also been extended to some of the trains on the North-east Frontier Railway.

41. Departmental Catering continues to grow in popularity, and is being generally appreciated by the travelling public both in regard to the quality of food and the standard of service. In order to improve the service further, a Special Enquiry has been initiated into the functioning of the Departmental Catering with a view to effecting improvements.

42. The Railway Users' Consultative Committees constituted at different levels continued to render valuable assistance and co-operation to the Railway Administrations in the matter of improving the services provided by the Railways. Other ancillary Committees, such as the Time Table Committee, the Suburban Railway Users' Consultative Committee, the Passenger Amenities Committee, the Catering Supervisory Committee and the Bookstall Committee also functioned usefully in their respective spheres.

43. It is a matter of great regret that, in spite of sustained propaganda against the misuse of alarm chain apparatus and intensive checks by selected staff in collaboration with police, the number of cases of alarm chain pulling still continues to be high and is a constant cause of concern. Ticketless travelling is another evil which continues to stalk the land and constitutes a drain on the Railway Revenues. These two evils obviously cannot be completely eradicated without the active co-operation of the Public. I would, therefore, once again, request the co-operation of the Hon'ble Members, as the representatives of the people of the country, to awaken the public conscience by intensive propaganda in their constituencies against the evils of alarm chain pulling and ticketless travelling.

44. Sustained efforts continue to be made to reduce the number of Claims for Compensation for Goods lost or damaged, as well as to finalise the claims quickly. Although during 1957-58, the number of claims registered was slightly higher than in 1956-57, there was a small reduction in the amount paid towards compensation claims. The latest figures available for the current year are also reasonably satisfactory. Viewed in the light of increase in traffic carried, these figures reflect the beneficial results of the Claims Prevention Organisation and of the re-organised Railway Protection Force. The number of claims cases pending disposal, which stood at 56,891 at the end of March, 1957, came down to 44,837 at the end of March, 1958, and may come down further at the end of the

current year. The average time taken for disposal of each claim has also been reduced. I am aware that there is not full satisfaction yet in regard to the pace of disposal of claims, and I wish to assure the House that no efforts will be spared to secure further improvement.

45. In my last Budget Speech I had referred to the examination of the recommendations of the Railway Freight Structure Enquiry Committee relating to the revision of the Freight Structure as being in the final stages. As the House is aware, the Government's decision on these recommendations was announced in the House on 18th August, 1958, and the revised freight structure was brought into force from 1st October, 1958. The full effect of the Revised Freight Structure can be assessed only after it has operated for some time.

The examination of the Railway Freight Structure Committee's recommendations for the amendment of the Statutory Provisions relating to the responsibility of the Railways as carriers is still to be completed. As these recommendations of the Committee have far reaching implications, it will take some time to finalise Government's decision on them and indeed the Committee themselves recommended time for such examination.

46. As the House is aware, the need to step up exports is imperative. Having regard to this, the question of reduction in freight rates for different commodities has been engaging attention. In respect of 9 commodities, a substantial rebate in freight has been notified. It has further been decided to set up a small Standing Committee of senior officials of the different Ministries concerned such as the Ministry of Railways, the Ministry of Commerce and Industry, the Ministry of Finance and the Planning Commission, to deal with the question of reduction in freight rates for export traffic as also the other steps necessary in that context.

I may also mention an instance of reduction in freight rates for an internal movement about which the House may be interested. Large quantities of cattle dung were being wasted in and around the city of Bombay, for want of a suitable rate to facilitate movement to upcountry places, where they could be used as manure. To meet the situation, a 50 per cent. reduction in the freight rate for cattle dung from Bombay to a number of stations has been introduced at the suggestion of the Government of Bombay.

47. I now come to the question of accidents, which has been a subject of considerable concern all round. In the last session of the Parliament, "A Factual Review of Accidents", based on the last 20 years' statistics, was given to every Member of Parliament, which indicated that there was a downward trend in the number of accidents. Unfortunately, there has been a slight increase recently in the number of collisions and derailments. It is far from my intention to minimise the seriousness of this feature in railway working, but I wou'd like to mention that the period which we have been passing through is abnormal. An extensive development of line capacity is under execution on long stretches of trunk routes, upsetting settled conditions of working; at the same time, rapidly increasing volume of traffic has been passing over these sections which are mostly working to saturation point. Under these abnormal conditions, a state of constant pressure and strain is inevitable, and this at times unfortunately leads to human failures.

We are fully alive to the seriousness of the problem, and the Railway Administrations have been directed to initiate certain measures—educative, psychological and punitive—which, it is hoped, will instil greater safety-mindedness among the staff. Simultaneously, attention has also been paid to the provision of improved technical devices as an aid to the staff; safety organisations and research cells have also been set up on every Railway to undertake a critical analysis of accidents, to focuss attention on safety aspects in every field of operation, to carry out intensive inspections and to ensure strict observance of the safety rules and regulations by all concerned.

In regard to anti-sabotage measures, various schemes were examined in consultation with the Intelligence Bureau and the Ministry of Home Affairs. As result of this examination, the State Governments have been addressed to afford assistance through publicity measures amongst inhabitants of the villages in the vicinity of railway lines, through improvement of the arrangements of the Government Railway Police for the collection of advance intelligence in this regard, through intensification of patrolling of vulnerable areas, through a continuous study of all serious railway accidents by the State CIDs, and through periodical liaison meetings for exchanging information between Railway officials and State Police officials. Railway Administrations have been directed to act in close contact with the State Governments for this purpose.

Considerable emphasis has also been given to initial training and refresher courses for all categories of staff responsible for train working. I would like to assure the House that constant endeavours would continue to be made to deal with this problem of accidents with the utmost imagination and care. In this effort I solicit the unstinted co-operation of everyone concerned, so that a greater sense of safety consciousness may be brought about amongst the large number of railwaymen employed for train operation.

48. The Members of Parliament have naturally been evincing considerable interest in the problem of security and safe travel on Railways. Policing on the Railways is a State subject, but the Railway Ministry maintain a close liaison with them through the Railway Protection Force, so that a co-ordinated effort may be made to render Railway travel reasonably safe and to ensure that the public property entrusted to the Railways is secured from theft and damage. The Railway Protection Force with its Armed Wing has rendered useful service in tackling this problem. The Chief Ministers of the States also, whom I met in this connection, assured me of their fullest co-operation.

49. The problem of corruption on the Railways continues to be tackled vigorously. Activities of the Vigilance Organisation have been intensified, and various preventive measures have been adopted to liquidate this evil. The Central Investigation Agency of the Railway Board's Office examined directly about 200 cases of corruption and other malpractices, while on the Railways more than 3,500 new cases were taken up during the year. Deterrent punishments have been awarded. In 1957-58, departmental action was finalised in 1,301 cases as against 511 in the previous year. The Vigilance Organisation has succeeded not only in highlighting malpractices and bringing corrupt employees to book, but also in protecting those who are honest and allow no laxity, but are maligned by interested parties.

The growing interest evinced in our efforts to eradicate the evil is helpful, and I appeal to the Members of the Parliament and of State Legislatures to continue to extend their full co-operation in the matter and in arousing public conscience, without which this evil cannot be eliminated.

50. Turning now to other aspects of Railway Administration, I would refer to the progressive expansion of medical and welfare facilities for railwaymen and their families. During the current year, 337 more beds have been provided in our hospitals, bringing the total to 4,287. Special facilities have been provided for the treatment of railway employees and their families suffering from T.B. Chest clinics for providing domiciliary and out-door treatment to T.B. patients and for controlling the spread of T.B. have been established in most of the Railway hospitals. To 687 T.B. beds reserved at the end of 1957-58, 211 beds have been added in the current year, and 40 more beds will be available shortly. Dental clinics with part-time dental service have also been provided in some of the hospitals. In order to provide expert medical advice to Railwaymen, the honorary services of consultants of eminence have been enlisted to advise and help in the treatment of cases in the principal Railway hospitals. Medical aid to staff at roadside stations and isolated sections was improved by increasing the number of mobile dispensary vans from 9 to 17.

51. The question of increasing housing facilities for the Railway staff has continued to receive attention from the administration. During the first two years of the Plan, about 25,000 quarters were constructed. Another 11,000 are expected to be added during the current year, and 9,000 in the Budget year. In addition to this, improvements to old type quarters, through provision of better ventilation, electrification, latrines and kitchens have also been undertaken.

52. The Railways have continued to maintain, as a measure of staff welfare, a number of schools of various categories, expanding these facilities wherever required. I have been feeling particularly the need for widening the primary school facilities for the children and wards of Railway employees. I have, therefore, issued orders that 500 primary schools should be established on austerity standard. It is hoped that these would be opened before the next school session, i.e., June, 1959. It has further been decided that all children studying in the Railway Primary Schools should be required to wear uniforms of a simple style. This would help to create a feeling of discipline and equality amongst these children. The uniform will be supplied free to the children of railway employees drawing less than Rs. 200 per month.

To mitigate the difficulties of the staff who have to send their children away from their headquarters for the purposes of education, schemes for setting up 13 subsidised hostels in the major linguistic areas have been approved. As we are keen to start these hostels from the coming school year even though the buildings may not be ready, arrangements are being made to obtain alternative accommodation to the extent possible. Ultimately about 1,500 students are proposed to be accommodated in these hostels. The wards of those employees, whose pay does not exceed Rs. 300 per month will be admitted on payment of concessional rates, while the children of employees drawing more than Rs. 300 per month will be admitted on payment of full messing charges. This scheme, in the case of staff who take advantage of it, will form an alternative to the educational assistance now admissible under the rules.

53. The per capita contribution to the Staff Benefit Fund has been increased from Rs. 2 to Rs. 4 from 1st April, 1958. This would meet the increased expenditure on account of scholarships, which are being awarded every year in deserving cases to the children of railway employees to assist them in the prosecution of technical education. During 1956-57, about 1,900 applications were received for the grant of technical scholarships and 998 scholarships were awarded involving an expenditure of Rs. 2·95 lakhs from the Staff Benefit Fund. During 1957-58, over 1,400 applications were received; 921 scholarships were awarded in addition to 628 scholarships carried forward from the year 1956-57. The total expenditure during 1957-58 on account of these scholarships amounted to a sum slightly in excess of Rs. 4 lakhs. As the courses generally cover four years, the number of scholarships will progressively increase to about 3,000 at any one time.

54. As indicated in my Budget Speech last year, the Tapase Committee was appointed to review the channels of promotion to Class IV staff and concerned matters. The Committee submitted their Report in March, 1958. Orders have already been issued on a number of their recommendations, and other recommendations are being vigorously pursued.

55. The necessity for imparting adequate training to recruits to the various Railway Services and of refresher courses to serving employees is constantly kept in view. A new training school at Bhusawal with a capacity for 650 trainees, is likely to be completed by October, 1959. The Technical Institute at Jhansi has been taken over from the State Government of U.P., and a scheme for increasing its capacity from 32 to 150 for training Mechanical and Electrical Apprentices is under consideration. The temporary Technical Schools at Bangalore and Lucknow are being converted into permanent ones. As recommended by the Estimates Committee, Basic Training Centres have been, and are being, set up in the various workshops and running sheds on the Railways. The capacity of various existing training schools has been increased, and expansion of some others is under consideration. A new training school for the Railway Protection Force staff has been set up at Bulsar, and another at Kharagpur is likely to be completed shortly. Arrangements for setting up a Central Advance Permanent Way School at Poona have been finalised, and the school is likely to start functioning soon. This school will serve the E.C.A.F.E. countries also.

56. The House is aware that as a measure of staff welfare, holiday homes have been provided for Class III and Class IV staff at suitable places. Charges for such homes have been fixed at nominal rates.

It has come to my notice that Kashmir is becoming increasingly popular as a holiday resort for Railway employees coming from distant places in India. I have, therefore, decided to provide facilities or such staff by setting up two holiday homes in Kashmir—one at Srinagar and the other at Pahalgam—to serve the employees of all the Railways. It is through the good offices of the Prime Minister of Kashmir that the Government of Jammu and Kashmir have agreed to the grant, free of cost, of land at Pahalgam and Srinagar, along with the transfer to the Railways, at the actual cost, of a suitable building under construction at the former place. I should like to take this opportunity of thanking Bakshi Ghulam Mohammed Sahib for the keen interest he has so kindly taken in this matter, which is of such importance to the welfare of the Railway employees.

57. The Co-operative movement is receiving increasing response on the Railways. Nearly 60 per cent. of the railwaymen are members of the Co-operative Credit Societies, whose working capital on the 31st March, 1958 amounted to Rs. 23·37 crores. Besides these, there are about 120 Consumer Co-operative Societies and their turn-over during 1957-58 amounted to nearly Rs. 80 lakhs.

58. The relations with the Railwaymen throughout the year have been cordial. Regular meetings were held between the National Federation of Railwaymen and the Railway Board for discussion of the various demands of the Railwaymen. The *Ad Hoc* Tribunal, which resumed sittings to deal with the two items on which agreement could not be reached between the Railway Board and the Federation, has since completed its work and submitted its findings to the Government; these are receiving consideration.

The Unity move between the National Federation of Indian Railwaymen and the All India Railwaymen's Federation has not made much progress. With a view to help the Federations in the process of implementation of the unity agreement on matters like scrutinising the lists of membership, holding elections and settling any possible dispute that may arise, I made available to the Federations the services of an independent observer and a retired High Court Judge as an Arbitrator. The Government are anxious to see that railwaymen should unite under one Federation in their own interests, and I still hope that unity would be achieved in the near future. Meanwhile the All India Railwaymen's Federation, who are pressing persistently for a channel being provided for approaching the Railway Board for discussing their demands, have had two meetings with the Railway Board.

59. Before I conclude my speech, I would like to make a brief mention of the fact that outside their normal spheres of work, railwaymen have continued to distinguish themselves in the field of sports and other cultural activities. They are the National Champions in Hockey, Volleyball, Weight-lifting and Kabaddi; individually too, some of them have excelled in athletic events. In the cultural field, the Exhibition of Paintings and Handicrafts held during the Railway Week last year at New Delhi displayed considerable talent among railwaymen of all categories and their families; so also in cultural performances like dance, drama and music staged at Delhi and other railway centres. All these activities, besides providing a diversion after their duties, help in bringing all classes of railwaymen closer together to build up a cordial fellow feeling in this very large family of railwaymen spread over the whole country.

60. In conclusion, I would like to take the opportunity of placing on record my appreciation of the dedicated manner in which the railwaymen as a whole have tried to discharge their duties. Admittedly they cannot afford to rest on their past achievements. In this critical period of the economic evolution of our country symbolised by the successive Five Year Plans, they have the privilege to play a most significant role, which requires sustained attention, and, therefore, they will have to rise to yet greater heights than hitherto. Considering their performance hitherto in the face of heavy odds, I have no doubt that the House will join me in wishing well by the Railwaymen in the year to come and in the further future ahead.

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EXPLANATORY MEMORANDUM ON THE RAILWAY BUDGET FOR 1959-60

PART I—REVENUE

Summary of the Financial Results of the working of the Railway undertaking:—

SURPLUS

(In crores of rupee)

1957-58	13·38 (**Actuals**)
1958-59	13·00 (**Anticipated**)
1959-60	21·19 (**Anticipated**)

Financial Results of the year 1957-58

The Gross Traffic Receipts for 1957-58 came to 379·78 crores, a shortfall of 4·62 crores or 1·2 per cent. from the Revised Estimates of 384·40 crores. The table below shows the details of Gross Receipts, in juxtaposition with the Revised Estimates for the year and the actuals of the previous year (1956-57):—

(In crores of rupees)

	Actuals, 1956-57	Revised Estimate, 1957-58	Actuals, 1957-58
Passenger Earnings—			
Upper	13·52	13·75	13·38
Third	102·81	107·15	105·72
Other Coaching Earnings	21·09	25·25	24·23
Goods Earnings	203·96	231·00	229·68
Sundry Other Earnings	7·51	8·25	8·41
TOTAL EARNINGS	348·89	385·40	381·42
Suspense	—1·32	—1·00	—1·64
Gross Traffic Receipts	347·57	384·40	379·78

It will be observed that, as compared to the expectations in the Revised Estimates for 1957-58, the actuals for the year registered a decrease of 1·80 crores in Passenger Earnings, 1·02 crores under Other Coaching Earnings and 1·32 crores under Goods Earnings due to a marked decline in traffic from about the middle of January, 1958. Unrealised earnings held under "Suspense" increased by 64 lakhs. The total shortfall was, however, offset by a slight increase of 16 lakhs in Sundry Other Earnings.

2. Ordinary Working Expenses (Gross) for the year (1957-58) turned out to be 306·24 crores, an increase of 5·22 crores over the Revised Estimates of 301·02 crores. This increase consisted mainly of 46 lakhs, or about 1½ per cent., in Demand No. 4—Administration; of 3·88 crores, or a little more than 3¾ per cent., in Demand No. 5—Repairs and Maintenance; of 49 lakhs, or below 1 per cent., in Demand No. 7—Operation (Fuel); of 1·23 crores, or a little more than 6½ per cent., in Demand

No. 8—Operation other than Staff and Fuel; and 22 lakhs, or about ¾th of 1 per cent., in Demand No. 9—Miscellaneous Expenses; offset by a decrease of 87 lakhs, or a little less than 1½ per cent., in Demand No. 6—Operating Staff, and 19 lakhs, or a little more than 2½ per cent., in Demand No. 10—Labour Welfare. The variations under Demands 4, 6, 7, 9 and 10, as will be noticed, were relatively insignificant. The increase under Demand No. 5 was due to heavier expenditure on safety measures including repairs to bridges and track, appointment of patrolmen, etc., than was provided for in the Revised Estimates and also due to increased outturn from workshops and sheds. The variation under Demand No. 8 was under "compensation" (Rs. 50 lakhs) due to the quicker pace of settlement of claims for compensation for goods lost or damaged resulting in more payment than was allowed in the Revised Estimates, and under clothing and stores and stationery, forms and tickets etc. The actuals under the various Demands are compared in the table below, with the Revised Estimates and with the actuals of the previous year:—

(In crores of rupees)

	Actuals, 1956-57	Revised Estimate, 1957-58	Actuals, 1957-58
Demand No. 4.—Administration	34·79	31·75	32·21
Demand No. 5.—Repairs and Maintenance	88·04	100·73	104·61
Demand No. 6.—Operating Staff	52·80	61·59	60·72
Demand No. 7.—Operation (Fuel)	45·05	53·86	54·35
Demand No. 8.—Operation other than Staff and Fuel	16·31	18·41	19·64
Demand No. 9.—Miscellaneous Expenses	29·92	27·31	27·53
Demand No. 10.—Labour Welfare	6·09	7·37	7·18
TOTAL	273·00	301·02	306·24
Credits or recoveries	—39·06	—41·86	—42·06
Net	233·94	259·16	264·18

Payments to worked lines came to 26 lakhs, as against the Revised Estimate of 33 lakhs. The Net Miscellaneous Expenditure was about 1·45 crores less than the Revised Estimates, the shortfall being mainly in expenditure on Open Line Works chargeable to Revenue.

Net Railway Revenue was 8·12 crores less than the Revised Estimate of 65·90 crores. The dividend to General Revenues rose to 44·40 crores, that is, 16 lakhs more than the Revised Estimate. The aggregate result of these variations was that the surplus was reduced to 13·38 crores, *i.e.*, a shortfall of 8·28 crores from the Revised Estimate of 21·66 crores. The entire surplus was credited to the Development Fund.

3. The Railway Depreciation Reserve Fund, which opened with a balance of 103·13 crores, after a minus adjustment of one crore carried out in 1957-58 representing a difference between the *ad hoc* and the revised balances, received the usual accretion of 45 crores by way of annual appropriation from the Revenues of the Zonal Railways, 1·23 crores from Chittaranjan Locomotive Works and the Integral Coach Factory, and 3·15 crores as interest on balances, aggregating to 49·38 crores. Against this, there was a withdrawal of 63·62 crores, leaving the closing balance at the end of 1957-58 at 88·89 crores.

The Development Fund, which opened with a balance of 13·75 crores, received an appropriation of 13·38 crores representing the surplus and 25 lakhs interest on the balance. With a withdrawal from the fund of 25·53 crores, the closing balance at the end of the year amounted to 1·85 crores. The surplus from the revenue account each year being the only source for feeding this Fund and with an appropriation to the Fund from surplus of 13·38 crores only in the year, there was an inevitable contraction of the balance in the Fund. The provision for expenditure from the Fund in the Railways' Second Five Year Plan, it may be recalled, is of the order of 92 crores.

The Revenue Reserve Fund opened with a balance of 48·07 crores. There was no appropriation to, or withdrawal from, the Fund during 1957-58; with a credit of 1·61 crores as interest on the balance, the year closed with a balance of 49·68 crores in the Fund.

4. The principal financial figures for 1957-58 are shown below, alongside the Revised Estimates of that year and the actuals of the previous year:—

(In crores of rupees)

	Actuals, 1956-57	Revised Estimate, 1957-58	Actuals, 1957-58
Gross Traffic Receipts	347·57	384·40	379·78
Ordinary Working Expenses	233·94	259·16	264·18
Appropriation to Depreciation Reserve Fund	45·00	45·00	45·00
Payments to Worked Lines	0·33	0·33	0·26
Net Traffic Receipts	68·30	79·91	70·34
Net Miscellaneous Expenditure	9·92	14·01	12·56
Net Revenue	58·38	65·90	57·78
Dividend to General Revenues	38·16	44·24	44·40
Surplus	20·22	21·66	13·38
Operating Ratio	80·3%	79·2%	81·5%
Capital-at-Charge	1071·71	1209·13	1222·44
Ratio of net revenue to Capital-at-Charge	5·4%	5·5%	4·7%*

*The amount charged in a year to Capital Account in respect of works still in progress at the end of the year will not earn a return until the works are completed and brought into use. With the increasing tempo of development works in the implementation of the Plan and consequent increase in the quantum of such Works-in-progress, a decrease in the ratio of net revenue to Capital-at-charge may be ordinarily expected.

REVISED ESTIMATES 1958-59

TRAFFIC RECEIPTS

5. The Budget Estimate of Gross Traffic Receipts for 1958-59 was placed at 407·48 crores. A decrease of 13·10 crores is now anticipated from the Budget Estimate, in the Gross Traffic Receipts as a whole, owing to downward trends in both coaching and goods traffic from about the middle of January 1958 till about November 1958. The increase in goods traffic anticipated in the original Budget has not materialised except under coal. As compared to 1957-58, there has been a noticeable decline in traffic under grains and pulses on the broad gauge and under sugar, sugarcane, jute, cotton and oil-seeds on both broad and metre gauges.

6. The Revised Estimate of Passenger Earnings has been placed at 116·30 crores, a decrease of 8·43 crores from the Budget Estimate of 124·73 crores and of 2·80 crores from the 1957-58 Passenger Earnings figure of 119·10 crores.

The Revised Estimate under Other Coaching Traffic has been placed at 24·45 crores, or about 20 lakhs less than the Budget Estimate, due to decline in parcel traffic. The Revised Estimate of Goods Earnings, based on the trends of traffic, is placed at 245·83 crores, or 4·67 crores below the Budget Estimate of 250·50 crores, the shortfall being due to the anticipated increase in traffic not materialising except under coal as already explained. The increase in coal earnings, however, is not commensurate with the increase in coal traffic, as coal is not a high-rated commodity. Additional earnings from freight increases introduced from 1st October. 1958 are expected to fetch about 5 crores in the current year; but even so, a shortfall of 4·67 crores from the Budget Estimates as already referred to, is apprehended.

The Sundry Earnings are anticipated to increase by 20 lakhs, mainly due to greater turn-over in the Catering Department.

Under Traffic Suspense, no variation is anticipated.

7. The details of the Revised Estimate for the Gross Traffic Receipts for the current year are compared in the table below, with the Budget Estimate for this year and the actuals of the previous year:—

(In crores of rupees)

	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59
Passenger Earnings—			
Upper	13·38	14·06	13·47
Third	105·72	110·67	102·83
Other Coaching Earnings	24·23	24·65	24·45
Goods Earnings	229·68	250·50	245·83
Sundry Other Earnings	8·41	8·45	8·65
TOTAL EARNINGS	381·42	408·33	395·23
Suspense	—1·64	—0·85	—0·85
Gross Traffic Receipts	379·78	407·48	394·38

WORKING EXPENSES

8. The *gross* Budget Grant for the Ordinary Working Expenses for the current year is 311·13 crores. Against this, the Revised Estimate is placed at 320·21 crores, or an increase of 9·08 crores. This anticipated increase is made up of about 79 lakhs due to the increase in the statutory price of coal by 75 naye paise from 17th May, 1958 to 16th October, 1958, which was reduced to an increase of 41 naye paise from 17th October, 1958; 144·29 lakhs due to revision of the freight rate on coal from 1st October, 1958 (though corresponding credits on account of freight will figure as a reduction of the gross budgetted revenue expenditure); 40·33 lakhs due to the arrear payments of the Central Sales Tax to various parties; 262 lakhs on Repairs and Maintenance due to the cost of materials having gone up more than anticipated, and due to the incurrence of additional expenditure on various measures for safety, such as patrolling of bridges and increased expenditure on the rehabilitation and maintenance of track and bridges, cost of flood repair works on the Central and Western Railways, as well as increased expenditure on the increased number of Rolling Stock units turned out after repair from the workshops and sheds as well as on other railway assets; 271 lakhs under staff covering cost of redistribution of posts in certain cadres, etc. and increase in the staff strength, particularly Security staff over certain vulnerable sections and Operating staff for handling increased coal traffic on the Eastern Railway, other staff for setting up of certain construction dumps and stores depots, and staff temporarily sanctioned for preliminary work of change over to Metric system, as well as the introduction of the pensionary system of retirement benefits for Railway employees and introduction of the revised freight structure from 1st October, 1958; while the balance of about 111 lakhs is distributed under various items of other Operating and Miscellaneous expenses, which includes 17 lakhs on account of the increase in *per capita* contribution to Staff Benefit Fund from Rs. 2 to Rs. 4 sanctioned in May 1958, and other heads, such as, payment of compensation claims, increased consumption of electricity due to increase in the number of electrified installations, increase in consumption of consumable stores, and cost of uniforms and clothing, etc.

The net increase in the Revised Estimate of Working Expenses over the Budget is, however, 5·87 crores only, against an increase of 9·08 crores over the *gross* Budget; the total increase under credits is of the order 3·21 crores, both on account of the increased freight rate on coal introduced from 1st October, 1958, resulting in credits under different demands (*viz.*, Demands 5, 6, 7 and 8) not anticipated in the original Budget, and on account of more clearance from Suspense than anticipated at the time the Budget was framed.

The details of the anticipated increases under different Working Expenses demands (gross) during the year, for which Supplementary Demands are proposed to be presented, are analysed below in further detail, explaining the increases in the Revised Estimates over the Budget provision.

Demand No. 4—Administration.—The Supplementary Demand of 181·88 lakhs is mainly to cover extra provision expected to be required for additional staff temporarily sanctioned on the Railways to meet the initial work in connection with the introduction of the Pension Scheme of retirement benefits for Railway employees and the introduction of the revised freight structure from 1st October, 1958, setting up of stores

depots and dumps, Safety and Metric Cells, etc. (41·06 lakhs); strengthening of the Security Organisation found necessary at particular points on different Railways (26·43 lakhs); cost of the former Northeastern Railway staff at Calcutta, who, on the formation of a separate Northeast Frontier Railway, with no offices in Calcutta, have had to be absorbed in the cadre of the two Calcutta Railways against temporarily created additional posts (30·45 lakhs); and additional provision as actually found necessary to cover the cost of changes in personnel due to redistribution of posts within the cadre and the cost of interim relief increase in dearness allowance (20·34 lakhs); increased contingent expenditure on uniforms, etc. particularly of the armed wing of the Railway Protection Force, etc. (40·12 lakhs); arrear bills for policing from State Governments and other variations (23·48 lakhs).

Demand No. 5—Repairs and Maintenance.—The Supplementary Demand of 262·53 lakhs is required to cover additional expenditure anticipated as under:—under Way and Works, mainly in connection with repairs arising from unforeseen flood damages on Western and Central Railways (41·08 lakhs), safety measures, including repairs to bridges and track as actually found necessary (43·39 lakhs), strengthening of Assam Rail Link (Revenue Portion only) (42·55 lakhs), expenditure on additional track taken over in the course of the year for maintenance, on the completion of certain new line sections or doublings (7·02 lakhs), and other variations (15·56 lakhs); increase in the number of rolling-stock units turned out after repair from workshops and sheds (70·25 lakhs); increased expenditure on reconditioning of ferry stock (7·59 lakhs); and increase in electrical maintenance expenditure to cover replacement and repairs to train lighting and other equipment, repairs and rehabilitation of electrical stock, electrification of the increased number of staff quarters, remodelled yards, etc. and increased electrical load required for workshops (26·14 lakhs) and increases under other expenses (8·95 lakhs) mainly for providing station furniture, purchase of tarpaulins to cover open wagons utilised to move as much traffic as possible, etc.

Demand No. 6—Operating Staff.—The Supplementary Demand of 88·53 lakhs under this Demand is mainly to cover the cost of additional staff appointed to cope with the increase in traffic, particularly of coal, on certain sections (14·50 lakhs); additional provision as actually found necessary to cover the cost of changes in personnel due to redistribution of posts and of interim relief increase in dearness allowance (36·20 lakhs); additional provision required, on the basis of the actual payments and latest trends, for mileage and overtime allowance (21·22 lakhs); transfer of provision from other Demands to this Demand (12·83 lakhs) and other minor variations (3·78 lakhs).

Demand No. 7—Operation (Fuel).—The Supplementary Demand of 2·37 crores under this Demand is mainly to cover anticipated increases as under:—an increase of 79 lakhs under the cost of coal, arising from increase in the price of coal by 75 naye paise from 17th May, 1958 to 16th October, 1958 and thereafter by 41 naye paise; increase in the freight rate of coal from 1st October, 1958, which affects the *gross* Budget (1·44 crores) though corresponding credits outside the *gross* Budget will be afforded on the same account; and payment of arrears on account of levy of Central Sales Tax (40 lakhs); *offset* to some extent by anticipated savings due to other minor causes (26 lakhs).

Demand No. 8—Operation other than Staff and Fuel.—The Supplementary Demand of 1·65 crores under this Demand covers 79 lakhs more

anticipated for compensation for goods lost or damaged, 24 lakhs for higher consumption of electricity due to the increase in the number of electric installations and yards, etc., 26 lakhs on stores and clothing, and 27 lakhs under other operating expenses including hire of steamers found necessary, etc., and other minor variations (9 lakhs).

Demand No. 9—Miscellaneous Expenses.—There is an anticipated saving of 69·87 lakhs under this Demand over the Budget grant. This is mainly due to certain credit adjustments in respect of advances to pay clerks, etc., now transferred from the Suspense heads under this Demand to S-Deposits and Advances. There is, however, a *charged* portion of expenditure under this Demand relating to payments made in satisfaction of decrees of courts and awards of Claims Commissioners in regard to compensation to passengers involved in railway accidents. A small increase of 2·70 lakhs in this *charged* expenditure is on account of provision required for compensation payable in respect of certain rail accidents, as the precise expenditure could not be foreseen and provided in the original Budget. A Supplementary Demand to cover this small increase has been framed for the information of the Parliament; no formal voting is necessary.

Demand No. 10—Labour Welfare.—The anticipated increase of 43·74 lakhs in this Demand is to cover the increase in *per capita* contribution to Staff Benefit Fund from Rs. 2 to Rs. 4 (17 lakhs) and payment of arrears to certain staff as a result of redistribution of posts in the different grades within the cadre, etc. (2·26 lakhs), expansion of medical facilities, including the provision of additional beds for T.B. patients (14 lakhs), expansion of sanitary services (2 lakhs), expansion of staff training facilities, etc. (7 lakhs), and other staff amenities, etc. (1·48 lakhs).

9. There is no variation in the appropriation to the Depreciation Reserve Fund. Under payments to worked lines, however, there is a decrease of about 12 lakhs, due mainly to less payment now expected to be made to Cochin Harbour Railway, as a result of decrease in earnings of the line and adjustment against certain earlier payments.

10. The table below compares the Revised Estimate for Ordinary Working Expenses, with the Budget of the current year and Actuals of the previous year:—

(In crores of rupees)

	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59
Demand No. 4.—Administration	32·21	32·73	**34·55**
Demand No. 5.—Repairs and Maintenance	104·01	104·30	**106·92**
Demand No. 6.—Operating Staff	60·72	63·81	**64·69**
Demand No. 7.—Operation (Fuel)	54·35	57·21	**59·58**
Demand No. 8.—Operation other than Staff and Fuel	19·64	18·84	**20·49**
Demand No. 9.—Miscellaneous Expenses	27·53	26·53	**25·65**
Demand No. 10.—Labour Welfare	7·18	7·89	**8·33**
TOTAL	306·24	311·13	**320·21**
Credits or Recoveries	—42·06	—42·78	**—45·99**
Net	264·18	268·35	**274·22**
Appropriation to Depreciation Reserve Fund	45·00	45·00	**45·00**
Payments to Worked Lines	0·26	0·22	**0·10**

MISCELLANEOUS TRANSACTIONS

11. In pursuance of the decision to extend the Pension Scheme of retirement benefits, as applicable to non-Railway staff of the Civil Departments of the Government of India, to Railway employees, orders were issued in November, 1957. Railway employees already in service were permitted to exercise an option—the last date for option extended to 31st March, 1959—in favour of the Pensionary Scheme of retirement benefits in lieu of the State Railway Provident Fund benefits. The question how to adjust the accumulated Government contribution and interest thereon, in the State Railway Provident Fund account of employees who will elect pension, has been under consideration. It has now been decided that this accumulation, which will revert to the Government, on being written back from the Provident Fund balances, would be accounted for as Miscellaneous Receipts. This is estimated to result in a fortuitous inflation of Miscellaneous Receipts by 2·63 crores representing the amount which would revert to the Government in the accounts of the current year. This would also result in an increase of the anticipated surplus by 2·63 crores.

12. The Miscellaneous Expenditure is estimated at 2·33 crores less than the Budget, due to a reduction of 2·64 crores on expenditure on Open Line Works chargeable to revenue as a result of certain rephasing of works, offset by an increase of 31 lakhs under other items of Miscellaneous Railway Expenditure. This increase of 31 lakhs is mainly due to the undertaking of certain new surveys during the year, etc. (11 lakhs); additional expenditure on establishments required for investigation of special problems affecting all Railways, etc. (3·35 lakhs); 'India 1958' Exhibition (4 lakhs); Railway's contribution towards the Joy Ride Railway for Bal Bhavan, Delhi (2·31 lakhs); grant found necessary to cover the requirements of the Railway Sports Control Board (1·25 lakhs); and aggregate of other items of miscellaneous expenditure, etc. (9·09 lakhs).

13. The table below compares the Revised Estimate for Miscellaneous Transactions, with the Budget and the Actuals of the previous year:—

(In lakhs of rupees)

Receipts	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59
Guarantees recoverable from State Governments for unremunerative lines	..	..	..
Other receipts from subsidized companies	5	3	2
Miscellaneous Railway Receipts	15	9	10 (+263*) = 273
TOTAL RECEIPTS	20	12	12 (+263*) = 275
Expenditure			
Rebate	..	..	1
Subsidy	6	8	15
Land	..	..	1
Surveys	8	..	11
Miscellaneous Railway Expenditure	2,20	2,12	2,23
Open Line Works —Revenue	10,42	14,91	12,27
TOTAL EXPENDITURE	12,76	17,11	14,78
Net Miscellaneous Expenditure	12,56	16,99	12,03

*Represents anticipated accumulated amount of Government Contribution and interests thereon in the State Railway Provident Fund Account in respect of Railway employees who have elected the pensionary form retirement benefits in lieu of the State Railway Provident Fund benefits

14. *Dividend to General Revenues.*—The Revised Estimate of Dividend to General Revenues is placed at 50·03 crores, or 45 lakhs more than the Budget Estimate of 49·58 crores. This is due mainly to the normal variations, in the Capital-at-Charge, from the Budget anticipations of Capital expenditure.

15. The table below shows the principal financial figures for the current year in the Revised Estimate, as compared with the Budget Estimate and with the actuals of the previous year:—

(In crores of rupees)

	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59
TRAFFIC RECEIPTS:			
Gross Traffic Receipts	379·78	407·48	**394·38**
WORKING EXPENSES			
Ordinary Working Expenses	264·18	268·35	**274·22**
Appropriation to Depreciation Reserve Fund	45·00	45·00	**45·00**
Payments to Worked Lines	0·26	0·22	**0·10**
TOTAL WORKING EXPENSES	309·44	313·57	**319·32**
Net Traffic Receipts	70·34	93·91	**75·06**
MISCELLANEOUS TRANSACTIONS			
Receipts	0·20	0·12	**2·75***
Expenditure	12·76	17·11	**14·78**
Net Miscellaneous Expenditure	12·56	16·99	**12·03**
Net Railway Revenues	57·78	76·92	**63·03**
Dividend to General Revenues	44·40	49·58	**50·03**
Net gain or surplus	13·38	27·34	**13·00**

*This includes 2·63 crores representing the anticipated adjustment of the accumulated amount of Government contribution and interest thereon, in the State Railway Provident Fund Account of Railway employees who have opted for Pension. But for this, the surplus in the ordinary course would be Rs. 10·37 crores.

SURPLUS AND RESERVES

16. Thus the surplus now expected for the current year is 13 crores, or 14·34 crores less than the Budget Estimates, largely due to Budget anticipations of growth in Railway traffic not materialising as already explained.

17. Due to the reduction of surplus in 1957-58 by over 8 crores (as compared to that year's Revised Estimate anticipations), the opening balance in the Development Fund on 1st April, 1958 was only 1·85 crores. This balance was increased on the one hand by certain credit adjustments for projects originally charged to the Fund and transferred to Capital as a result of their being assessed now as being remunerative, but reduced on the other hand to represent a national *pro-rata* reduction in the pre-partition balances under the Fund which reduction had not been made so far. The balance thus became 6·43 crores. Withdrawal from the Fund

for expenditure allocable to the Fund during the current year is expected to be of the order of 30·41 crores (including 19 lakhs for payment of interest on loan from General Revenues that is required during the current year as explained below), while the further appropriation to the Fund from the surplus of the year is now estimated to be 13 crores, thus leading to an anticipation of a deficit in the Fund of 10·98 crores at the end of 1958-59. This position has resulted from the fact that the annual surplus, which is the sole source from which the Development Fund is fed, in two successive years (1957-58 and 1958-59), is only about 13 crores, due largely to the fact that Railway traffic has not increased as expected; on the other hand, the expenditure from the Fund provided in the Plan is of the order of 92 crores (in 5 years). The Development Fund is designed to meet the cost of works for providing amenities to passengers and other railway users, the cost of labour welfare works estimated to cost individually more than Rs. 25,000, as well as certain operating improvements found necessary from time to time. The Railway Convention Committee—1954 did envisage occasions when the Development Fund may not be in a position to meet the programme of expenditure chargeable to that Fund from its own resources, and recommended that, in such circumstances, General Revenues could advance a temporary loan to the Railways. This recommendation is reproduced below:—

> "In the event of the Development Fund not being in a position to meet the programme of expenditure chargeable to that Fund from its own resources, money should be advanced from General Revenues to the Railways for utilisation on those Projects or Works which are of a developmental nature. Such advances should be treated as Temporary Loans to the Railways and will not be added to the Capital-at-Charge on which 4 per cent. dividend is payable annually. The Railways will pay interest on this loan to General Revenues at the average borrowing rate chargeable to Commercial Departments. It shall, however, be open to the Railways to repay this loan in instalments, if necessary, from accretions to the Development Fund in more prosperous years and thus liquidate the debt and the interest liability thereon."

In terms of the foregoing provision, it has been arranged to obtain a temporary loan of 10·98 crores from the General Revenues to cover the anticipated deficit in the Railway Development Fund at the end of 1958-59. To accommodate repayment of such loans and interest thereon, a new demand, *viz.*, Demand No. 19—Miscellaneous charges—Development Fund has been opened during the current year.

18. The Depreciation Reserve Fund opened with a balance of 88·89 crores. The accretion to the Fund during the year will be 45 crores from Revenue, 79 lakhs on account of contribution relating to Chittaranjan Locomotive Works and the Integral Coach Factory at Perambur, and 2·44 crores as interest accuring on the alances. With an anticipated withdrawal of 81:88 crores, the balance in the Fund at the end of the year is expected to stand at 55:25 crores, or 33:64 crores less than the opening balance.

19. The Revenue Reserve Fund opened with a balance of 49:68 crores, which was reduced by 1·40 crores due to the notional *pro-rata* revision of pre-partition balances, will have an accretion of 1·10 crores by way of interest during the current year, so that the Fund will close with a balance of 49·38 crores on 31st March, 1959.

BUDGET ESTIMATES 1959-60

TRAFFIC RECEIPTS

20. Based on the falling trends of passenger traffic since about early 1958, but taking note of the upward trend recently noticed, an increase of only 2 crores (or less than 2 per cent.) has been allowed in the Passenger Earnings over the Revised Estimate of the current year, fixing the Budget Estimate of Passenger Earnings at 118·30 crores. Allowing for any adverse trends in parcels traffic, the Budget Estimate of earnings from other coaching traffic has been placed at 24 crores, or 45 lakhs less than the Revised Estimate for the current year.

21. The full year's effect of the increased freight rates in 1959-60, compared to the six months' effect only as reflected in 1958-59 Revised Estimate of goods traffic, is expected to yield an increase of about 5 crores under Goods Earnings in 1959-60 over 1958-59. With the further increase in Goods traffic anticipated as a result of the steel works going into various stages of production in 1959-60, additional coal raisings, and increase in traffic anticipated to accrue with the opening of the Mokameh Bridge to traffic and as a result of general increase in economic and industrial activity in the country, a further increase of about 9 per cent. is anticipated in the Goods Earnings. Taking all factors into consideration, it is anticipated that the Goods Earnings in 1959-60 may be of the order of 272·58 crores.

22. The estimate of Sundry Earnings for the Budget year has been placed at 8·40 crores, or 25 lakhs less than the Revised Estimate. Allowing for an increase of 40 lakhs under 'Suspense', the Gross Traffic Receipts are anticipated to be 422·03 crores.

23. The details are compared in the following table, with the Revised Estimate for the current year and the actuals for the previous year:—

(In crores of rupees)

	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Passenger Earnings—				
Upper	13·38	14·06	13·47	13·52
Third	105·72	110·67	102·83	104·78
Other Coaching Earnings	24·23	24·65	24·45	24·00
Goods Earnings	229·68	250·50	245·83	272·58
Sundry Other Earnings	8·41	8·45	8·65	8·40
TOTAL EARNING	381·42	408·33	395·23	423·28
Suspense	—1·64	—0·85	—0·85	—1·25
Goss Traffic Receipts	379·78	407·48	394·38	422·03

WORKING EXPENSES

24. The Gross Budget Estimate of Ordinary Working Expenses for the year 1959-60 has been placed at 330·60 crores, or 10·39 crores more than the Revised Estimate for 1958-59.

This increase is made up of provision for increased staff expenditure of 298·80 lakhs, of which the net effect of annual increments and other changes in personnel, would be 183·51 lakhs, while pay and allowances of additional staff expected to be provided to deal with the anticipated increase in traffic would be 115·29 lakhs; an increase of 253·80 lakhs under Repairs and Maintenance is mainly on the Way and Works and Rolling Stock and electrical equipment, covering necessary rehabilitation of track (ballasting) and safety measures in respect of bridges and track, increased repair and maintenance expenditure in workshops and sheds with the anticipated increase in transport requirements, and increased electrical maintenance due to progressive increase in electric installations and in the number of electrified units (*viz.*, staff quarters, new yards or stations, etc.); a net increase of 286·10 lakhs under fuel covering the anticipated increase in engine and train mileage, after reckoning savings due to the introduction of diesel services, as well as provision for a full year's effect of the increased freight rates on coal, which came into effect from 1st October, 1958 (though there will be corresponding reduction of expenditure on account of freight from the gross budget as credit); an increase of 114·24 lakhs on other Operating and Miscellaneous Expenses, reflecting other increases in expenditure corresponding to the increased volume of traffic expected in 1959-60 over 1958-59; and an increase of 85·72 lakhs, in order to cover provision for expansion of medical and welfare facilities to staff generally.

The table below shows the Budget Estimate of Working Expenses for 1959-60 under different demands, alongside the Revised Estimate for the current year and the actuals for the previous year:—

(In crores of rupees)

	Actuals, 1957-58	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Demand No. 4.—Administration	32·21	34·55	35·47
Demand No. 5.—Repairs and Maintenance	104·61	106·92	109·89
Demand No. 6.—Operating Staff	60·72	64·69	66·27
Demand No. 7.—Operation (Fuel)	54·35	59·58	62·45
Demand No. 8.—Operation other than Staff and Fuel	19·64	20·49	21·23
Demand No. 9.—Miscellaneous Expenses	27·53	25·65	26.05
Demand No. 10.—Labour Welfare	7·18	8·33	9·24
TOTAL	306·24	320·21	330·60
Credits or recoveries	—42·06	—45·99	—46·89
NET	264·18	274·22	283·71
Appropriation to Depreciation Reserve Fund	45·00	45·00	45·00
Payments to Worked Lines	0·26	0·10	0·11

The variations under each Demand (gross) are analysed below in further detail, explaining the increase in expenses over 1958-59:—

Demand No. 4—Administration.—The anticipated increase of 91·76 lakhs is due to the net effect of annual increments (48·67 lakhs) and provision for additional staff to the minimum extent necessary to man new stores depots or other units, etc. (43·09 lakhs).

Demand No. 5—Repairs and Maintenance.—The anticipated increase of 297·25 lakhs under this Demand consists of 43·45 lakhs representing the net effect of annual increments of staff charged to this Demand; 13·88 lakhs further expenditure on repairs to bridges and track as safety measures; 146·17 lakhs as additional expenditure under rolling stock covering expenditure on measures necessary for a change-over to the metric system and on the higher outturn from workshops as well as running repairs in the sheds, anticipated to be necessary with the increased traffic movements expected in 1959-60; 54·72 lakhs as additional maintenance expenditure on electrical assets and services, mainly due to the increased number of electrical installations and electrified units including staff quarters, etc.; 30·29 lakhs increased expenditure on maintenance of Signal and Tele-communication equipment; 8·74 lakhs under other expenses, mainly to cover provision for tarpaulins for open wagons to be utilised to carry as much traffic as possible.

Demand No. 6—Operating Staff.—The anticipated increase of 157·61 lakhs under this Demand consists of 85·41 lakhs for the net effect of annual increments and 45·91 lakhs on additional staff to cope with the anticipated increase in traffic and 26·29 lakhs due to aggregate of other variations.

Demand No. 7—Operation (Fuel).—The anticipated increase of 286·10 lakhs under this Demand (gross) consists of increased consumption of fuel on account of the anticipated increase in traffic after reckoning savings due to introduction of diesel services on the Eastern and South-eastern Railways (160·08 lakhs)); full year's provision for increased freight on coal due to revision of freight rate on coal introduced from 1st October, 1958—against which, however, there will be reduction of expenditure through corresponding credits outside the gross budget—(115·76 lakhs); and increase in freight and handling charges due to increase in traffic (60·45 lakhs); offset by non-recurrence of payment of arrears Sales Tax such as was made in 1958-59, etc. (30·41 lakhs), less generation of power in Railway's Power House at Kalyan (19·15 lakhs), and other minor variations (63 thousands).

Demand No. 8—Operation other than Staff and Fuel.—The increase of 73·92 lakhs under this Demand is mainly to cover additional provision on account of compensation for goods lost or damaged (13·38 lakhs); increased running expenditure on electrical services due to electrification of more stations, yards, quarters, workshops and sheds, etc. (12·73 lakhs); increased consumption of miscellaneous stores, corresponding to anticipated increase of traffic generally (13·34 lakhs); provision required for arrear adjustments (28·43 lakhs) and aggregate of miscellaneous increases (6·04 lakhs).

Demand No. 9—Miscellaneous Expenses.—The anticipated increase of 40·32 lakhs under this Demand is mainly on account of increase under Suspense (66·91 lakhs), due to non-recurrence in the Budget year of the credit adjustments such as were made in 1958-59, and increase under Catering (10 lakhs) for full year's provision for Departmental Catering

units started in 1958-59, counter-balanced partly by saving due mainly to non-recurrence of arrear adjustment under Contribution to Provident Fund (3·45 lakhs) as well as under Gratuities and other retirement benefits (17·96 lakhs) and aggregate of minor variations (15·18 lakhs).

Demand No. 10—*Labour Welfare.*—There is an anticipated increase of 91·70 lakhs under this Demand in 1959-60. The increase is mainly under Medical and Health and Welfare Services including Education. Increase under the Medical Department of 40·25 lakhs is due to provision for additional T.B. beds and supply of medicines and drugs, and provision for additional staff for the expanding medical facilities; increase of 26 lakhs under Health and Welfare Services is to cover additional sanitary staff and purchase of sanitary stores owing to the increase in sanitary service; increase of 25 45 lakhs under Education is to cover the provision for a larger number of trainees, etc.

MISCELLANEOUS TRANSACTIONS

25. The net result of Miscellaneous transactions for the budget year is expected to be a net expenditure of 17·61 crores, made up of receipts of 12 lakhs, and expenditure of 17·73 crores, as shown in the table below:—

(In lakhs of rupees)

	Actuals, 1957-58	Revised Estimate, 1958-59	Budget Estimat 1959-60
RECEIPTS			
Guarantees recoverable from State Governments for unremunerative lines	..	..	..
Other Receipts from subsidised companies	5	2	2
Miscellaneous Railway Receipts	15	10+2,63*	10
TOTAL RECEIPTS	20	2,75	12
EXPENDITURE			
Rebate	..	1	1
Subsidy	6	15	6
Land	..	1	..
Surveys	8	11	33
Miscellaneous Raiways Expenditure	2,20	2,23	233
Open line Works—Revenue	10,42	12,27	15,00
TOTAL EXPENDITURE	12,76	14,78	17,73
Net Miscellaneous Expenditure	12,56	12,03	17,61

The variation under Miscellaneous Receipts is due to the fact that no precise estimate can be made at this stage of the amount, if any, which is likely to revert to the Government during the Budget year on account of staff opting for Pension Scheme. As the last date of option is 31st March, 1959, the amount that would revert to the Government is expected to be adjusted in full in the accounts of 1958-59 (2·63* crores), and no provision is made for the persent in 1959-60 on this account.

The increase of 2·95 crores under Miscellaneous Railway Expenditure consists of 2·73 crores on Open Line Works chargeable to revenue, to accommodate the result of earlier rephasing of works done in 1958-59, and 22 lakhs on other miscellaneous expenditure mainly due to increased provision on surveys, etc.

26. *Dividend to General Revenues.*—The estimate of Dividend to General Revenues is placed at 54·41 crores, taking into account the estimated capital outlay during 1959-60 of 121·81 crores.

27. The following table summarises the anticipated financial results of the budget year in juxtaposition with the Revised Estimate of the current year and the actuals for the previous year:—

(In crores of rupees)

	Actuals, 1957-58	Revised Estimate, 1958-59	Budget Estimate, 1959-60
TRAFFIC RECEIPTS			
Gross Traffic Receipts	379·78	394·38	422·03
WORKING EXPENSES			
Ordinary Working Expenses	264·18	274·22	283·71
Appropriation to Depreciation Reserve Fund	45·00	45·00	45·00
Payments to Worked Lines	0·26	0·10	0·11
TOTAL WORKING EXPENSES	309·44	319·32	328·82
Net Traffic Receipts	70·34	75·06	93·21
MISCELLANEOUS TRANSACTIONS			
Receipts	0·20	0·12+2·63 =2·75	0·12
Expenditure	12·76	14·78	17·73
NET MISCELLANEOUS EXPENDITURE	12·56	12·03	17·61
Dividend to General Revenues	44·40	50·03	54·41
NET GAIN OR SURPLUS	13·38	13·00	21·19

SURPLUS AND RESERVES

28. The estimated surplus of 21·19 crores left after payment of Dividend to General Revenues is proposed to be credited to the Development Fund. Withdrawal from the Fund in the Budget year is anticipated to be of the order of 32·07 crores (which also includes interest amounting to 58 lakhs on temporary loans for the Fund from the General Revenues). It is estimated that a temporary loan of 10·88 crores may be required from the General Revenues during the Budget year also, to meet the anticipated withdrawals from the Fund.

29. The Depreciation Reserve Fund, which is expected to open with a balance of 55·25 crores, will receive the usual annual credit of 45 crores from Railways' Revenue, 80·56 lakhs from Chittaranjan Locomotive Works and Integral Coach Factory and earn an interest of 1·58 crores. The withdrawals during the year are estimated to be 66·70 crores, and the Fund is expected to close with a balance of 35·94 crores at the end of the year.

30. With the addition of interest of 1·74 crores accruing on the balance during the year, the Revenue Reserve Fund is expected to close with a balance of 51·12 crores at the end of 1959-60.

31. A detailed, year-wise, account of the three Funds is given in Appendices VIII to X to this Memorandum.

PART II

EXPENDITURE ON THE WORKS, MACHINERY AND ROLLING STOCK PROGRAMME OF RAILWAYS

ACTUALS 1957-58.

32. The Works, Machinery and Rolling Stock Programme for 1957-58 was budgetted for an outlay of 235 crores. The actuals, however, came to 251·47 crores, thus resulting in an increase of 16·47 crores. The increase was mainly under Track Renewals and Stores Purchases, due to the receipt of permanent way materials from abroad in greater quantities than anticipated and of larger purchases of certain categories of stores to facilitate execution of developmental works and projects.

REVISED ESTIMATES 1958-59.

33. The programme for the current year for Rolling Stock, Machinery, Works, New Lines, Electrification Projects, etc. originally envisaged a net expenditure of 260 crores. Rolling Stock and Machinery, for which 87·95 crores and 5·02 crores respectively were provided in the Budget, are now likely to require a provision of 80·39 crores and 4·84 crores respectively, that is, a net decrease of 7·56 crores in Rolling Stock and of 18 lakhs on Machinery. The decrease under Rolling Stock is mainly due to progressive reduction in the price of the coaches manufactured in the Integral Coach Factory and less anticipated deliveries of Rolling Stock according to the latest delivery programme. The decrease under Machinery and Plant is also based on the latest expectations of delivery. Under Stores, Miscellaneous Advances and Manufacture Suspense balances, there is a shortfall of 4·38 crores, mainly due to larger issue of materials. There is also a shortfall of 1·69 crores under Investment in Road Services, while there is an increase in credits for released materials of the order of 1·13

crores. Taking New Constructions and Open Line Works, etc. together, there is a small increase of 19 lakhs. Allowing for all the variations, the aggregate Revised Estimate for Works, Machinery and Rolling Stock has now been placed at 245·25 crores, against the net Budget Grant of 260 crores. The broad distribution is given below:—

(In lakhs of rupees)

Detailed Heads	Budget, 1958-59	Revised, 1958-59
1. Rolling Stock (excluding stock provided as part of Electrification Project)	87,95	80,39
2. Machinery and Plant	5,50	4,84
3. Track Renewals	34,77	47,57
4. Bridge Works	4,15	5,79
5. Ganga Bridge	2,21	2,45
6. Traffic Facilities	63,37	49,07
7. Signalling and Interlocking Works, etc.	5,94	3,90
8. Workshops excluding those provided as part of Electrification Projects	14,62	7,53
9. Electrification (Electric Traction)	17,72	8,29
10. Staff Quarters	8,03	7,64
11. Amenities for staff	[3,11	[2,85
12. Passenger and Other Railway Users' Amenities	2,80	2,71
13. New Lines excluding Electrification and Ganga Bridge Projects	14,05	16,31
14. Restoration of dismantled lines	15	15
15. Other Structural Works	9,03	7,75
16. Purchase of Railway Lines	..	1
17. Investment in Road Services	2,50	81
18. Increase or decrease in balances under :		
(*a*) Stores Suspense	14,83	[9,22
(*b*) Manufacture Suspense	—2,64	—12
(*c*) Miscellaneous Advances	—3,27	—4,56
19. Credits or Recoveries :		
(*a*) Credits for released materials	—5,78	—6,45
(*b*) Other credits	—44	—90
TOTAL	278,60	245,25
Probable Savings	—18,60	..
NET	260,00	245,25

The variations from the Budget Grant as voted, excluding credits on recoveries which are taken as being outside the gross grant, are further analysed below demand-wise.

Demand No. 13—*Open Line Works (Revenue)—Labour Welfare.*—There is no variation in the Revised Estimate from the Budget Grant of 162·37 lakhs under this Demand.

Demand No. 14—*Open Line Works (Revenue)—Other than Labour Welfare.*—Against the Voted Grant of 13·33 crores, the Revised Estimate has been fixed at 10·65 crores as a result of rephasing of some of the works under this demand, involving a reduction of 2·68 crores in the estimated expenditure from the Budget provision.

Demand No. 15—*Construction of New Lines.*—There is a decrease of 2·71 crores from the Budget Grant of 25·39 crores. This comprises a shortfall of 686 crores under Railway Electrification Project, which is chiefly due to rephasing of the works for main line electrification over different sections, so as to synchronise with the availability of power from supply authorities and less expenditure on Overhead Equipment, etc. on account of the time taken in making necessary arrangements for the procurement of such equipment with a view to securing the most favourable rates and the maximum utilisation of indigenous labour and materials.

The reduction is made up, to the extent of 4·15 crores, by the accelerated progress of certain New Lines, etc. *viz.*, Chandrapura-Muri and Muri-Ranchi on the Eastern Railway, Rourkela-Dumaro and Bijuri-Tagini-Karaunji, etc. on the Southeastern Railway, and the Ganga Bridge Project, etc.

Demand No. 16—*Open Line Works—Additions.*—There is an increase of 18·59 crores over the Budget Grant of 412·02 crores under this Demand. The increase is entirely under the suspense heads, *viz.*, Stores (7·30 crores), Manufacture (2·04 crores) and Miscellaneous Advances (20·28 crores), partly offset by savings under Structural Engineering Works (3·17 crores), Rolling Stock (6·32 crores) and Investment in Road Services (1·69 crores). The increase under Stores is due to larger purchases than anticipated becoming possible to meet the requirements of various construction works. The increase under Miscellaneous Advances is due to the advance payment made for the imported steel materials, *viz.*, purchases made by the Indian Railway Steel Purchase Mission, steel materials available under T.C.A. Aid and D.L.F. Loans and purchase of bridge girders and M.S. Rods through the Iron and Steel Controller, etc. The increase under Manufacture Suspence is mainly due to more materials manufactured in workshops for stock purposes and greater outturn anticipated from repair shops. It is necessary to make it clear that this excess over the budget provision (gross) does not mean any net addition to the stock during this year, for the issues of stores for the execution of various works were much larger. As a result, the net expenditure under this Demand is in fact 15·41 crores less. As credits or recoveries, however, do not fall within the scope of the Demand, the excess in the gross budget remains unaffected. The shortfall under Structural Engineering Works is mainly due to non-availability of certain types of material and larger time taken, than anticipated in the budget to finalise plans, estimates and contracts and also due to change of allocation of certain works from this Demand to Demand No. 17, etc.

The decrease under Rolling Stock is due mainly to the reduction in the price of the coaches manufactured in the Integral Coach Factory and changes in the programme of delivery of rolling stock, etc.

Investment in Road Services shows a shortfall, as the schemes of the different State Governments for setting up road transport corporations are now not expected to be finalised during the current year.

Demand No. 17—*Open Line Works—Replacements.*—Against the Budget Grant of 99·17 crores, an additional amount of 13·59 crores is now required in the Revised Estimate. This is entirely due to the accelerated progress on 'Track Renewals' work on account of improved availability of permanent way materials. There is also an increase under Bridges, due almost entirely to the change of allocation of the work of strengthening of Assam Rail Link and Bridges from Demand No. 18 to this Demand, as a result of more precise field work than was possible earlier which has indicated that a substantial portion of the work in this connection would be on bridges. This is offset, to some extent, by decrease under Rolling Stock, due mainly to the reduction in the price of the coaches manufactured by the Integral Coach Factory and partly also because of changes in delivery schedule of Rolling Stock. Under Structural Engineering Works, there is a reduction because of non-availability of certain types of material contrary to original anticipations, counterbalanced to some extent by transfer of certain works from Demand No. 16 to this demand due to change in allocation and under Machinery and Plant, based on the latest trends of delivery.

Demand No. 18—*Open Line Works—Development Fund.*—Against the Budget Estimate of 36·70 crores, the Revised Estimate has been placed at 30·28 crores, that is, a shortfall of 6·42 crores. This is entirely under 'Operating Improvements', and is due mainly to the rephasing of works on certain sections and change of allocation of certain other works from this Demand to other Demands, etc. The probable savings envisaged at the time of the Budget Estimates under this Demand have materialised fully.

The Revised Estimate of credits for released materials and recoveries from Road Authorities for part of the cost of the Ganga Bridge, etc., which are adjusted in reduction of gross expenditure on Works, Machinery and Rolling Stock, is 7·35 crores, or a variation of 1·13 crores from the Budget Estimate of 6·22 crores.

BUDGET ESTIMATES 1959-60.

34. Against the total Second Five Year Plan allotment of 1,121·5 crores for Railways (excluding 3·5 crores, which has since been transferred to the Ministry of Transport, being the allotment in the Plan for Vizag Port originally provided under Railways, as at that time the Port was under the Railway Ministry's Administration), a sum of 179 crores was spent in the first year, 251·47 crores in the second year, while a sum of 245·25 crores is expected to be spent in the current year. The programme for 1959-60, the penultimate year of the Plan, has been fixed at 235 crores.

The distribution of this amount over the broad categories of expenditure is given below, with its tentative allocation between Capital, Depreciation and Development Funds and Revenue.

(In lakhs of rupees)

Particulars	Capital	Depreciation Reserve Fund	Development Fund	Open Line Works-Revenue	Total
1. Rolling Stock (excluding Stock provided as part of Electrification Project)	55,90	24,30	14	4	80,38
2. Machinery and Plant	1,99	1,49	..	1,52	5,00
3. Track Renewals	—5	38,01	63	25	38,84
4. Bridge Works	3	6,37	68	52	7,60
5. Ganga Bridge	40	..	..	..	40
6. Traffic Facilities	34,83	2,64	7,14	4,67	49,28
7. Signalling and Interlocking works etc.	23	1,23	2,09	3,12	6,67
8. Workshops excluding those provided as part of Electrification Projects	4,24	56	6,72	1,82	13,34
9. Electrification (Electric Traction)	25,27	84	27	9	26,47
10. Staff Quarters	63	17	4,56	93	6,29
11. Amenities for Staff	..	4	3,10	56	3,70
12. Passenger and other Railway Users' Amenities	..	..	2,95	..	2,95
13. New Lines excluding Electrification and Ganga Bridge Projects	21,55	1	2,12	..	23,68
14 Restoration of dismantled lines	4	..	10	..	14
15. Other Structural Works	1,17	70	2,56	3,31	7,74
16. Purchase of New Lines	..	..	..	..	..
17. Investment in Road Services	50	..	..	..	50
18. Increase or decrease in balances under :					
(*a*) Stores Suspense	—9,34	..	..	..	—9,34
(*b*) Manufacture Suspense	—1,02	..	..	..	—1,02
(*c*) Miscellaneous Advances	—1,82	..	..	..	—1,82
19. Credits or Recoveries :					
(*a*) Credits for released materials	..	—7,51	..	—2	—7,53
(*b*) Other credits	—4	..	..	..	—4
TOTAL	134,51	68,85	33,06	16,81	253,23
Probable Savings	—12,70	—2,15	—1,57	—1,81	—18,23
Net	121,81	66,70	31,49	15,00	235,00

The distribution of the net provision of 235 crores is 149·12 crores for Structural Engineering Works including net transactions under Suspense heads and credits for released materials, etc., 85·38 crores for Rolling Stock and Machinery and Plant, and 50 lakhs for Investment in Road Services.

35. *Rolling Stock.*—Of the proposed expenditure of 80·38 crores on Rolling Stock, 67·06 crores is for programmed deliveries and 13·32 crores for new acquisitions. The expenditure on the different sub-items of Rolling Stock is shown in the table below:—

(In lakhs of rupees)

Particulars	Programmed Deliveries	New Acquisitions
Locomotives	11,71	38
Boilers	44	..
Carriages	24,22	3,34
Wagons	30,42	9,60
Ferries	27	..
TOTAL	67,06	13,32

(The Railway-wise distribution of provision is given at pages 85—89 of Part I of the Consolidated Works, Machinery and Rolling Stock Programme of Railways).

The Programme for New Acquisitions includes provision for the following units of Rolling Stock:—

Particulars	To be obtained from abroad	To be obtained from indigenous sources	Total
(*a*) Locomotives—			
(*i*) Steam	..	220	220
(*ii*) Diesel	..	14	14
(*iii*) Electric	..	..	..
(*b*) Boilers (Steam)	..	40	40
(*c*) (*i*) Carriages	..	4,92	4,92
(*ii*) Rail-cars	..	..	..
(*iii*) Electric Multiple Units	..	..	..
(*d*) Wagons (in terms of 4 wheelers)	..	14,780	14,480
(*e*) Cranes	..	..	..

Out of the Rolling Stock valued at 80·38 crores included in the Programme, 68·38 crores, *i.e.*, about 85 per cent. is proposed to be procured indigenously.

36. *Machinery and Plant.*—The Budget Provision for Machinery and Plant is 5 crores, which comprises 4·60 crores for Programmed deliveries and 40 lakhs for New acquisitions.

Replacements of Machinery and Plant in the 1959-60 Programme (New Acquisitions) is as usual being made on condition basis, *i.e.*, only those items have been selected for replacement as have outlived their useful life and are beyond economic repairs. The total commitment involved in such replacements is 99 lakhs, of which the expenditure proposed during the year 1959-60 is 14 lakhs only. Additions to Machinery and Plant in the Programme for the Budget year are estimated to cost 2·07 crores, of which 26 lakhs are expected to be incurred during the year 1959-60.

A summary of the requirements of each Railway under New acquisitions as well as Programmed deliveries is given in pages 90-91 of Part I of the Consolidated Works, Machinery and Rolling Stock Programme of the Railways.

37. *Construction of new lines.*—The provision for the construction of new lines including restorations of dismantled lines during 1959-60 (excluding credits of 3·37 lakhs for recoveries from Road authorities for part of the Ganga Bridge) is 49·30 crores. Of this 46·45 crores is for Works in progress and 2·85 crores for New Works as detailed below:—

(In lakhs of rupees)

Name of Project	Expenditure upto 1958-59	Provision for 1959-60	Balance to Complete	Probable date of completion
WORKS IN PROGRESS				
1. Khandwa-Hingoli Line (Central Railway) .	917·19	210·00	112·36	1960-61
2. Igatpuri-Bhusawal Electrification Project (Central Railway)	..	5·00	1478·04	..
3. Proposed B. G. line to serve the area previously served by Baraset-Basirhat Light Railway (Eastern Railway) . . .	14·24	50·00	191·84	1960-61
4. New Branch lines in Karanpura and allied coalfields (Eastern Railway) . . .	51·89	152·00	144·85	1960
5. Provision of New Link between Chandrapura-Bondamunda (Rourkela) Chandrapura-Hatia Construction (Eastern Rly.) .	470·18	400·00	309·82	1959-60
6. Proposed marshalling yard and washery near Dugda—Phase I (Eastern Railway) .	21·30	60·00	0·38	1960
7. Construction of BG Railway line from Barhan to Etah (Northern Railway) . .	120·11	10·00	4·10	Already opened.
8. Robertsganj-Garhwa Road Project (Northern Railway)	21·67	335·67	1343·83	1961-62

(In lakhs of rupees)

Name of Project	Expenditure upto 1958-59	Provision for 1959-60	Balance to complete	Probable date of Completion
9. Construction of BG Railway line between Ghaziabad and Tughalakabad including second Yamuna Bridge at Delhi (Northern Railway)	20·00	2·25	274·32	1962-63
10. Brahmaputra Bridge Project (Northeast Frontier Railway)	120·20	225·00	642·38	1962-63
11. Rail link from Kumedpur-Barsoi (North-east Frontier Railway	40·00	40·00	19·95	1960
12. Electrification of Tambaram-Villupuram (Main Line) Section (Southern Railway)	17·36	4·60	330·49	..
13. Quilon-Ernakulam Railway—Metre Gauge (Southern Railway)	621·47	4·30	..	Already opened.
14. Provision of a branch line from Rourkela to Dumaro (Southeastern Railway)	525·53	232·00	14·47	1959
15. Extension to Champa-Korba including additional facilities (Southeastern Railway)	..	50·00	117·13	..
16. Bijuri-Tagini-Karaunji C.I.C. Project (Southeastern Railway)	140·02	300·00	363·77	1960-61
17. Indore-Dewas-Ujjain—Providing a Broad Gauge rail connection between (Western Railway)	303·19	4·00	23·59	Already opened.
18. Raniwara-Bhildi Line (Western Railway)	159·36	1·00	..	Do.
19. Fatehpur-Churu Line (Western Railway)	53·29	2·00	9·63	Do.
Electrification of :—				
20. (*a*) Durgapur-Gaya and Pradhankanta-Patherdih	225·78	911·87	552·65	1960-61
(*b*) Gaya-Moghalsarai	79·89	124·24	642·00	1961-62
(*c*) Asansol-Sini-Tatanagar-Rourkela Kandra-Gomharria Rajkharswan-Barajamda	234·75	1014·50	685·37	1960-61
(*d*) Kharagpur-Tatanagar	4·10	46·82	302·34	Do.
(*e*) Sealdah Division	92·00	136·71	1481·34	..
(*f*) Howrah-Kharagpur	7·72	10·99	797·52	..
(*g*) Durgapur Docks and conversion of Phase I	29·27	84·14	1429·62	..
(*h*) Howrah-Burdwan Main line and Tarakeswar Branch (Phase I)	1520·20	176·80	124·28	Already opened.
21. Mokameh.—Construction of Rail-cum-Road Bridge over the Ganga at—(Ganga Bridge Project)	1000·22	36·81	112·75	1959
TOTAL	..	4630·70	..	..

(In lakhs of rupees)

Name of Project	Expenditure upto 1958-59	Provision for 1959-60	Balance to complete	Probable date of completion
NEW WORKS				
22. Proposed Broad Gauge line to serve the area now being served by Bakhtiarpur-Rajgir Light Railway (Eastern Railway) .	..	10·00	240·00	..
23. Providing goods avoiding lines in Delhi area to connect Delhi-Mathura line with Shakurbasti and Shakurbasti with Badli (Northern Railway)	..	10·00	111·66	..
24. Tildanga-Farakka-Khajuriaghat-Malda (Northeast Frontier Railway)	..	5·00	178·77	..
25. Construction of Bimlagarh-Kiriburu Link (30 miles)(Southeastern Railway) . .	..	50·00	370·00	..
26. Construction of Sambalpur-Titilagarh Link (115) miles) (Southeastern Railway) . .	..	200·00	1265·71	..
27. Guna-Ujjain BG Link (Western Railway .	..	2·50	1267·37	..
28. Jhund-Kandla BG Link (Western Railway)	..	5·00	795·00	..
29. Udaipur-Himmatnagar MG Link (Western Railway)	..	2·50	1070·18	..
TOTAL	..	285·00	..	..
GRAND TOTAL .	..	4915·70	..	..

(*Vide* also list of new surveys. Appendix XI).

The primary object of the proposed Broad Gauge line serving the area now being served by Bakhtiarpur-Rajgir Light Railway, 33·19 miles in length, is to improve transport facilities in an area of great historical and international importance and interest.

The Goods Avoiding lines are being provided in the Delhi Area because existing Delhi and New Delhi Yards with their limited capacities are extremely congested due to the phenomenal increase in traffic causing heavy detention to trains. In order to remove this bottleneck, Goods traffic is proposed to be diverted to Delhi-Bhatinda section and stations north of Delhi without touching the Delhi and New Delhi Yards.

Tildanga-Farakka-Khajuriaghat-Malda Project (25 miles in length) is primarily meant to open up West Dinajpur District of West Bengal.

Bimlagarh-Kiriburu (30 miles in length) link is required to facilitate the movement of 2 million tons of iron ore from Kiriburu Mines (Orissa) to Vizag. Port for export to Japan. Iron ore traffic will move *via* Sambalpur-Titilagarh Link, 115 miles in length. These two lines are essential

for exporting of 2 million tons of iron ore to Japan which along with port facilities at Vizag. is being financed as a Tripartite Aid Scheme.

Guna-Ujjain (173 miles), and Udaipur-Himmatnagar (134 miles) links have been undertaken on the basis of a general evaluation of the overall needs of economic and social development, establishing links between important places through under-developed regions lacking effective communications for fostering the growth of economically backward areas over as wide a field as practicable, as also for providing an alternate railway line of communication for traffic to and from the Western region of the country. The Jhund-Kandla (146 miles) Broad Gauge link is intended to bring the Port of Kandla on to the Broad Gauge system in addition to the hinterland served by Metre Gauge link which already exists. The expenditure during the Second Five Year Plan on these lines would, however, be limited to final location survey, acquisition of land and construction of the formation, including earth-work, etc. This advance planning is being done so that the time-lag attendant on the commencement of these projects is reduced to a minimum.

38. *Restoration of dismantled lines.*—A provision of 13·80 lakhs has been made for the restoration of the following dismantled lines which are already in progress:—

(In lakhs of rupees)

	Expenditure upto 1958-59	Provision for 1959-60	Balance to complete	Date on which the line was reopened for traffic or will be opened for traffic
WORKS IN PROGRESS				
1. Restoration of Rohtak-Gohana portion of Rohtak-Gohana-Panipat dismantled Line (Northern Railway)	32·50	3·37	13·42	Already opened.
2. Restoration of Akbarpur-Tanda Line—(Northern Railway)	..	1·00	24·66	..
3. Restoration of Utraitia-Sultanpur-Zafarabad Line (Northern Railway)	230·27	6·00	1·89	Already opened.
4. Restoration of Balamau-Madhoganj-Unnao Section (Northern Railway)	98·83	3·43	0·37	Already opened.
TOTAL	..	13·80	..	..

39. *Track Renewals.*- With better availability of track materials, a provision of 38·84 crores has been made for Track Renewals. This would appreciably assist in catching with the backlog. Out of the total provision, 26·28 crores is for Works in Progress and 12·56 crores for new works.

40. *Other Open Line Works.*—The provision for other Open Line Works is 98·93 crores. About 78 per cent. of this is for augmenting line capacity and other operating improvements to handle the growing amenities, staff quarters and amenities for staff, as shown in the table below:—

(In lakhs of rupees)

	Capital	Depreciation Reserve Fund	Development Fund	Revenue Demand No. 13	Revenue Demand No. 14	Total
I. Bridge Works—						
(*a*) Works in progress	3	5,66	60	..	23	6,52
(*b*) New Works .	..	71	8	..	29	1,08
II. Operating Improvements—						
(*a*) Works in progress .	37,89	5,33	17,59	..	8,70	69,51
(*b*) New Works . .	2,83	55	1,19	..	4,31	8,88
III. Staff Quarters—						
(*a*) Works in progress .	61	12	3,60	54	..	4,87
(*b*) New Works . .	2	5	96	39	..	1,42
IV. Staff Amenities—						
(*a*) Works in progress	..	3	2,52	23	..	2,78
(*b*) New Works . .	..	1	58	33	..	92
V. Users' Amenities— .						
(*a*) Works in progress .	..	..	2,34	..	..	2,34
(*b*) New Works . .	..	..	61	..	..	61
Summary—						
(*a*) Works in progress .	38,53	11,14	26,65	77	8,93	86,02
(*b*) New Works . .	2,85	1,32	3,42	72	4,60	12,91
GRAND TOTAL .	41,38	12,46	30,07	1,49	13,53	98,93

New Works each costing 20 lakhs and above and important works in progress are listed in Sections (a) and (b) of Appendix I to this Memorandum.

New Works.—Full details of new works proposed to be taken up during 1959-60 are given in the individual Railway's Consolidated Works Programme. Works costing 1 crore or more are detailed below:—

(In lakhs of rupees)

	Anticipated cost	Outlay proposed for 1959-60
Phase II of Rajahmundry-Dwarapudi-Samalkot Doubling	1,32	40
Phase II Conversion of Vijayawada—Masulipatam Section	2,99	60
Hospet-Guntakal-Renigunta Section—Additional facilities required for increasing the line capacity	1,28	38
Dankuni-Maurigram—Avoiding lines	1,31	16
Expansion of Chittaranjan Locomotive Workshops—Steel Foundry	2,50	18

Some important sections on which the line capacity is proposed to be augmented are:

(1) Igatpuri-Bhusawal Section on the Central Railway.

(2) Bhusawal-Itarsi Section on the Central Railway.

(3) Gorakhpur-Chupra Section on the Northeastern Railway.

(4) Dwarpudi-Samalkot Section on the Southern Railway.

(5) Hospet-Guntakal-Renigunta Section on the Southern Railway.

(6) Vijayawada-Masulipatam Section on the Southern Railway.

(7) Bhopal-Ujjain Section on the Western Railway.

The list of works each costing between 5 and 20 lakhs is given on pages 77—82 of Part I of the Consolidated Works, Machinery and Rolling Stock Programme.

41. *Investment in Road Services.*—A provision of 50 lakhs is proposed for investment in Road Services during 1959-60. A statement showing the investments made in 1958-59 is given in page 76 of the Works, Machinery and Rolling Stock Programme.

42. *Stores, Manufacture and Miscellaneous Advances Suspense.*—There is a decrease of 12·18 crores under the Suspense heads, comprising mainly of a decrease of 9·34 crores under Stores Suspense. This is chiefly due to the anticipated increase in issues of stores from stock.

43. Credits for released materials to the extent of 7·57 crores are expected to be adjusted in the accounts of the Budget year, but these do not figure in the gross Demands.

44. The distribution of the total net estimated expenditure of 235 crores during 1959-60 on Works, Machinery and Rolling Stock Programme of Railways by Demands is as follows:—

Demand No. 13.—Labour Welfare	1,31,83,000
Demand No. 14.—Other than Labour Welfare	13,68,17,000
Demand No. 15.—Construction of New Lines	45,05,51,000
Demand No. 16.—Additions	51,46,41,000
Demand No. 17.—Replacements	91,99,08,000
Demand No. 18.—Development Fund	31,49,00,000
TOTAL . . .	235,00,00,000

45. For further particulars of the Budget Estimate for expenditure chargeable to Capital, Depreciation Reserve Fund, Development Fund and Open Line Works (Revenue), a reference is invited to the Consolidated Works, Machinery and Rolling Stock Programme of Railways—Parts I and II.

J. DAYAL,

Financial Commissioner for Railways.

NEW DELHI;

Dated 18th February, 1959.

APPENDIX I

(a) The New Works costing more than 20 lakhs each for which funds have been provided in 1959-60 are :—

(Figures in lakhs of rupees)

S. No.	Description of work	Anticipated cost	Provision for 1959-60	Balance to complee work
	CENTRAL RAILWAY			
1	Jhansi-Manikpur Section.—Regirdering of 13/150′, and 1/60′, spans of Betwa Bridge at mile 709/0-9.	32	1	31
2	Jhansi-Manikpur Section.—Regirdering of 13/100′, spans of Dassan Bridge at miles 749/23	22	5	17
3	Thana (exclusive) and Kalyan exclusive Extension of Automatic Block System	68	5	63
	EASTERN RAILWAY			
4	Calcutta.—Acquisition of land for residential accommodation	20	2	18
	SOUTHERN RAILWAY			
5	Northeast Line.—(Vijayawada-Waltair Section) Doubling Rajamundry-Samalkot. Doubling between Dwarapudi and Samalkot (from mile 371¼ to 390⅛) Phase II of Rajamundry-Dwarapudi-Samalkot Doubling	1,32	40	92
6	Northeast Line-Vijayawada-Masulipatam Section.—Conversion from MG to BG. Guidivada-Bhimavaram-Vijayawada-Masulipatam section —Phase II Conversion of Vijayawada-Masulipatam Section	2,77	60	2,17
7	Hospet-Guntakal.—Renigunta-Section.—Additional facilities required at 36 stations for increasing the transport capacity	R. 22 1,26	38	88
8	Bangalore City.—Mysore Section.—Rebuilding bridges Nos. 715, 716 and 718	R. 2 54	7	47
	SUOTHEASTERN RAILWAY			
9	Dankuni-Maurigram.—Avoiding lines	1,31	16	1,15
	WESTERN RAILWAY			
10	Ujjain-Bhopal Section.—Increasing the track capacity by providing 4 additional crossing stations on the	20	4	16
11	Kotah-Bina Section.—Replacing the weak and understrength girders by new ML standard ones on Betwa Bridge 16 spans 100′	24 R.7	·05	23·95
12	Kotah-Bina Section.—Replacing the weak and understrength girders by new ML standard ones on Parbati Bridge 11 spans 100′	17 R 5	·05	16·95
13	Sabarmati.—Providing a township for the staff of Engineering and Signalling Workshops and Stores Depots at—	40	10	30
	CHITTARANJAN LOCOMOTIVE WORKS			
14	Expansion of Chittaranjan Locomotive Shops—Steel Foundary	2,50	18	2,32

APPENDIX I

(*b*) The important items under Works in Progress costing more than 20 lakhs each for which funds have been provided in 1959-60 are :—

(Figures in lakhs of rupees)

S. No.	Description of Work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
	CENTRAL RAILWAY				
1	Kalyan Power House.—Extension	3,05	3,04·9	·1	..
2	Bhusawal.—Provision of a Railway Training School	33	17	11	5
3	Bombay area (Kurla) Acquisition of land for building staff Quarters	29	2	26	1
4	Kurla Trombay Rail facilities for Oil Refineries	76	67	9	..
5	Wadi Bunder.—Provision of additional transhipment facilities	R 3 28	25	3	..
6	Bhusawal Up Yard.—Remodelling	51	20	19	12
7	Itarsi.—Remodelling of the yard	58	18	20	20
8	Kalyan.—Remodelling of the yard	52	25	20	7
9	Wadi.—Remodelling of the yard	33	19	9	5
10	Jhansi.—Provision of additional yard facilities	26	20	6	..
11	Mathura-Delhi Section.—Doubling of remaining portion	1,99	1,96	3	..
12	Kazipet.—Remodelling of the yard	22	6	10	6
13	Katni area.—Provision of a new yard	90	29	33	28
14	Bina-Bhopal Section.—Partial doubling	3,00	1,06	1,50	44
15	Ballarshah-Kazipet Section.—Interlocking and provision of additional traffic facilities at 12 stations	42	14	12	16
16	Kalyan Power House.—Providing 18 M.W. Plant	89	60	28	1
17	Jhansi.Manikpur Section.—Strengthening of major bridges between Khairar and Manikpur—26 spans of 100 and 1 span of 250'	47	32	15	..
18	Jhansi-Kanpur Section.—Regirdering of Yamuna bridge at Kalpi between miles 792/14 and 793/7 (10/250 spans)	62	..	5	57
19	Victoria—Terminus—Additional Office Accommodation	36	30	6	..
20	Wardha-Ballarshah Section.—Provision of Upper quadrant double wire signalling	22	6	10	6
21	Bhandup-Thana—Provision of Automatic Block Signalling	23	8	10	5
22	Bhusawal—Itarsi Section.—Provision of increased crossing Facilities	21	19	2	..

(Figures in lakhs of rupees)

S. No.	Description or Work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
23	Kurla Station.—Provision of automatic block system with colour light signals on	23	22·8	·2	..
24	Gwalior.—Remodelling of Station and Yard at	21	10	8	3
25	Jhansi Workshop.—Increasing repair facilities and provision of two turbo alternators 1500 KV capacity to meet the increased power load (phases I & II).	1,96	39	35	1,22
26	Matunga.—Release of shop No. 8 for wagon repairs and building a new office for Stores Deptt.	23	16	6	1
27	Mettuguda.—Expansion of the S. & T. Workshop	23	10	10	3
28	Parel.—Reorganisation of Stores Depot	35	8	10	17
29	Parel Shops.—Extension of the additional bay (Phase II)	22	5	8	9
	EASTERN RAILWAY				
30	Howrah.—Provision of additional goods shed facilities and yard in the area between Banaras bridge and Tikiapara foot over-bridge	58	32	5	21
31	Provision of additional lines at 8 stations	24	19	4	1
32	Ondal.—A new yard for Durgapur Steel Plant including a fly over junction to deal with the additional traffic in connection with the Durgapur Steel Plant	37	15	10	12
33	Damodar.—Avoiding lines from Damodar station to Kalipahari to avoid Asansol Yard and alterations to Kalipahari Yard	1,35	15	45	75
34	Mughalsarai.—Remodelling of Yard Phase (II).	25	1	7	17
35	Chitpur.—Remodelling of Yard	18	8	3	7
36	Sahibganj Loop.—Extension of loops to hold 70 wagons between Sahibganj and Kiul	25	20	3	2
37	Fly over crossing for goods line between Lilooah Sorting Yard and Howrah Goods over the S. E. Rly. Main Line and alteration to Goods Yard connected therewith to facilitate operation and prevent hold up to goods traffic	55	12	19	24
38	Mughalsarai.—Addition and alterations to yard—Phase I	1,15	48	20	47
39	Barwadhi—6 additional lines in the Yard	24	11	6	7
40	Additional line between Ondal and Ukhra	36	26	6	4

(Figures in lakhs of rupees)

S. No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
41	Avoiding line between Ratibati and Searsole No. 1 siding	28 R.1	4	19	5
42	Ondal.—Remodelling of Yard	1,98 R. 1	57	41	1,00
43	Asansol.—Remodelling of Yard	45	12	17	16
44	Pathardihi.—Additions and alterations to Pathardihi Yard	23	9	14	..
45	Sitarampur.—Provision of additional facilities in the yard	40	6	9	25
46	Provision of 3rd line from Mile 5B to Past Dock Junction	24	16	1	7
47	Sealdah.—Replacement of temporary quarters other than Calcutta area by type II quarters 303 units	25	23	2	..
48	Howrah.—Provision of additional coaching stabling and washing lines	40	15	6	19
	NORTHERN RAILWAY				
49	Kanpur-Unnao Section.—Doubling of	57	48	9	..
50	Moradabad-Khanalampura.—Doubling between Chodiala-Baliakheri station	28	27·91	·09	..
51	Moradabad-Khanalampura.—Doubling of (2nd Phase).	3,53	51	90	2,12
52	Tughlakabad.—Marshalling Yard	1,18	60	50	8
53	Ghaziabad.—Shifting the Signal Workshop from the present site to the proposed one at	23	16	7	..
54	Shakurbasti.—Provision of Printing Press at	31	27	4	..
55	Providing Standard III Signalling on Shakurbasti-Bhatinda Section in place of List and Morse Signalling	32	1	2	29
56	Lucknow-Charbagh.—Modernization of Loco Shops	55	47	8	..
57	Kanpur—Allahabad Section.—Doubling of	2,60 R.11	1,74	60	26
58	Allahabad.—Providing a new station building	37	36	1	..
59	Jagadhri.—Additions and alterations to carriage and wagon stops	3,32	..	·05	331·95

(Figures in lakhs of rupees)

S. No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
60	Tundla.—Lengthening of loops and dead ends	20	8	6	6
61	Subedarganj.—Provision of a Bridge Workshop	25	1	3	21
62	Delhi Main—Providing power signalling in station yard at	30	1	3	26
63	Delhi Main.—Remodelling the yard to provide additional passenger platform	39	20	15	4
64	Samdari.—Provision of a Loco Shed at .	20	4	5	11
65	Doubling of Delhi.—Rewari M. G. Line from Delhi-Sarai Rohilla to Garhi-Harsaru (Phase I)	75	63	6	6
66	Amritsar.—Provision of B. G. Loco repair facilities on the Ex.-E. P. Rly. at .	1,76	40	60	76
67	Bikaner.—Expansion of shops in connection with increase of Locomotives outturn from 30 POH and 30 IOH to 60 POH and 60 IOH per year at .	52	10	20	22
	NORTH EASTHERN RAILWAY				
68	Manduadih.—Works required in connection with stepping up transhipment facility from 120 B.G. to 200 B.G. wagons per day	23	17	6	..
69	Chupra.—Remodelling of yard .	21	9	12	..
70	Kasganj.—Remodelling of loco shed at .	27	·05	·05	26·9
71	Garhara.—Acquisition of land for development works	20	10	5	5
72	Gonda-Burwhal Section.—Regirdering of Elgin bridge	50	1	10	39
73	Sonepore-Hajipur.—Replacing the existing Gandak bridge by a new double line bridge	1,93	1,41	52	..
74	Banaras-Manduadih.—Provision of a new running shed in replacements of the present running shed at . . .	41	9	7	25
75	Gorakhpur (Kushmi).—Development of colony in connection with expansion of colony at	43	6	5	32

(Figures in lakhs or rupees)

S. No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
76	Barauni Jn.—Providing an Engine shed in replacement of the present shed at .	71	45	10	16
77	Gonda.—Remodelling of station yard	38	28	10	..
78	Gorakhpur.—Remodelling of station yard	23	17	5	1
79	Samastipur.—Remodelling of yard .	29	12	3	14
80	Barauni Jn.—Junction arrangements at Barauni and addition and alterations to Tilrath station yard	36	2	2	1
81	Katihar.—Barauni Section.—Khagaria-Katareah.—Doubling of line between .	1,83	85	95	3
82	Manduadih and Shahgang.—Additional work required for increasing transhipment quota at	28	20	8	..
83	Gorakhpur.—Remodelling of loco shed .	21	20.99	·01	..
84	Izatnagar.—Extension of Mechanical Workshop	1,86	76	11	99
85	Gorakhpur.—Extension of workshop at	1,17	1,04	7	6
	NORTHEAST FRONTIER RAILWAY				
86	Pandu.—Acquisition of land for staff quarters	22	1	10	11
87	Pandu.—Works in connection with setting up of Headquarters . . .	1,65	1,09	48	8
88	Tinsukia.—Remodelling of yard .	35	5	6	24
89	Bongaigaon.—Provision of carriage wagon shop on	5,75	22	19	5,34
90	Katihar.—Remodelling of yard . .	1,02	5	5	92
91	Strengthening of Assam Rail Link route (Kishanganj to Amingaon). . .	5,50 R. 51	1,65	2,30	1,55
	SOUTHERN RAILWAY				
92	Arkonam Junction.—Byepass line—opening of Yard and Triangle . .	21	2	6	13
93	Jalarpet Jn. —Remodelling of yard .	26 R. 1	5	10	11
94	Arkonam Jn.—Engineering Workshops—remodelling of	41	3	10	28

(Figures in lakhs of rupees)

S.No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Povision for 1959-60	Balance to complete work
95	Provision of power signalling at Basin Bridge, Washermanpet, Korukkupettai and Veyasarpudy with automatic block between the stations	26	0·01	·19	25·8
97	Doubling from Gueur to Manubolu from mile 84 ½ to 90	90	30	50	10
97	Regirdering the Railway line between Hamasavaram and Tulni from mile 413 ¼ to 423 ½	32	30	2	..
98	Doubling from Talamanchi to Musunnur from mile 118 to 135 ½ . . .	1,50 R. 1	30	79	41
99	Doubling from Tettu to Ulavapadu from mile 148 ½ to 157	60	20	35	5
100	Doubling from Uppugundur to chinnaganjam from mile 194 ½ to 198 ½	41	10	29	2
101	Vijayawada Jn.—Remodelling of Yard .	86 R. 3	51	35	..
102	Renigunta-Gudur Section.—Conversion of into broad gauge	2,18 R. 13	1,99	18	1
103	Tenali-Gudur Section. Doubling between Ulavapadu and Surareddipalem.	1,46	1,05	40	1
104	Tenali -Gudur Section.—Doubling between Kadavakudduru and Bapatla .	76	72	4	..
105	Vijayawada-Gudur Section.—Doubling of BG track from Bapatla to Tenali Jn. .	1,35 R. 1	65	53	17
106	Doubling Rajahmundry-Samalkot Rajahmundry—Dwarapudi Section . .	86	26	40	20
107	Conversion of MG to BG—Gudivada-Bhimavaram Vijayawada-Masulipatam Sections	202 R. 25	26	71	1,05
102	Podanur Jn.— Proposed Central Signal and Tele-communication workshops .	23	18	5	..
109	Arkonam-Rengunta Section.— Doubling of the B.G. track from Pudi to Vepagunta	1,49	30	54	65
110	North-West Line.—Doubling from Vepagunta to Puttur from mile 65 to 69 ½	35	10	22	3
111	Arkonam-Renigunta Section.—Doubling of the BG track from Pudi to Puttur .	1,49	30	52	67
111	Yeswantpur Jn.— Proposed marshalling yard at	20	19	1	..
113	Virudhunagar Jn.—Proposed marshalling yard	25	14	11	..
114	Works required for increasing the line capacity of the South West line .	47 R. 1	42	2	3
115	Guntakal Jn.—Remodelling of yard of M.G. yard	26	14	7	5

(Figures in lakhs of rupees)

S.No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
116	Gadag-Sholapur Branch.—Regirdering 21—150 ft. spans and strengthening piers of Bridge No. 63	34	27	7	..
117	Gadag-Sholapur Branch.—Regirdering 14—150 ft. spans and strengthening piers of Bridge No. 91	22	16	6	..
118	Vijayawada Jn.—Construction of 180 units type II, 8 units type III, 8 units type IV, 5 unit type (IV) (Special) and 2 type V quarters for essential class III staff and officers in connection with Divisionalisation of the Railway	29	22	2	5
119	Olavakkot Jn.—Construction of 275 units type II, 25 units type III and 4 units type IV quarters for essential staff	27	26·72	·28	..
120	Guntakal Jn.—Construction of 290 units type II, 20 units type III and 6 units type IV quarters for essential staff	27	21	3	3
121	Madras Central—Remodelling of Phase (1) Shifting of coaching yard from Madras Central to Basin Bridge	97	15	25	57
122	Perambur.—Loco Works-Improvements to	22	1	7	14
123	Perambur Carriage Works.—Improvements to	1,03	1	10	92
124	Arkonam-Tirupathur Section—Doubling between Vinnamangalam and Tirupathur.	1,27 R. 1	76	50	1
125	Arkonam-Tirupathur Section.—Doubling between Mukundarayapuram and Latteri	91 R.2	53	38	..
126	Doubling from Citteri to Mukundarayapuran,—from mile 47½ to 70	1,64 R. 1	33	51	80
127	Shoranur-Cochin Harbour Terminus Section.—Conversion into crossing stations (6 stations)	26	5	10	11
128	Hubli Workshops.—Remodelling of	1,02	22	45	35
129	Tiruvarur Jn.—Remodelling of	28	23	2	3
130	Hubli Jn.—New General Store at	29	5	10	14
	SOUTH EASTERN RAILWAY				
131	Bondamunda.—New Marshalling Yard at	3,92	1,87	1,80	25
132	Bhilai.—New Marshalling Yard at	3,15	2,22	90	3
133	Increasing line capacity of Khurda Road-Nergundi Section	33 R. 2	6	10	17
134	Adityapur and Tatanagar.—Additions and alterations to yard facilities	2,33 R. 4	65	66	92

(Figures in lakhs of rupees)

S. No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
135	Additional facilities on the Central India Coalfield Section	6,67 R. 5	50	2,51	3,66
136	(*a*) Doubling of line Drug-Kamptee	7,65 R. 9	75	2,45	4,45
	(*b*) Crossing stations and additional loops	1,18 R. 1	15	46	57
137	Doubling Vizianagram-Gopalapatnam.—Including remodelling of Store Depot Yard at Waltair	3,78 R. 2	30	1,04	2,24
138	Doubling of Rourkela to Drug	21,07 R. 17	15,96	3,90	1,21
139	Palasa-Waltair Section.—Replacement of girders	22	1	16	5
140	Khairagpur Workshop.—New Mill Wright Shop	24	4	9	11
141	Chakardharpur.—New Workshop at	2,60	..	9	2,51
142	Very high frequency Multi Channel Scheme on the S.E. Rly	33	2	10	21
143	Howrah-Kharagpur Section.—Replacing 7 Nos. 3001 spans of a Down Line Bridge No. 57 Rupnarayan on Kharagpur-Howrah Section at mile 33/16.	1,50	..	1	1,49
144	Regirdering of Damodar Bridge No. 520—6 × 200′ 2 × 100′ 8 × 100′	40	..	1	39
	WESTERN RAILWAY				
145	Godhra-Ratlam.—Doubling the track between	9,32	8,69	50	13
146	Ratlam-Nagda Section.—Partial doubling of the Ratlam-Bangrod and Birwania-Nagda Section on the	76	40	30	6
147	Ratlam.—Remodelling the yard at	76	74	2	..
148	Dohad.—Remodelling the loco workshop at	28	11	12	
149	Rajkot.—Works required in connection with divisionalisation at	52	29	23	5
150	Asarva.—Remodelling the yard at	38	37	1	..
151	Sabarmati.—Remodelling the yard at	1,70	1,61	9	..
152	Viramgam.—Remodelling the yard at	21	19	2	..
153	Swaimadhopur.—Remodelling the yard at	20	7	7	6
154.	Shamgarh-Gangapur Section.—Extending the existing loops to standard length for 70 wagons	20	18	2	..
155	Ajmer.—Replacing the existing generating plant in the Ajmer Power House and improvements to Power Supply at	31	30	1	..
156	Ajmer.—Remodelling the loco shops at	47	43	4	..

(Figures in lakhs of rupee

S. No.	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete work
157	Grant Road-Bandra and Kandivli.—Proposed augmentation of converting plant capacity in the traction sub-stations at	34	·05	1	32.95
158	Bhopal-Ujjain Section.—Strengthening of major bridges Parbati Niwas and Kali Sindh	20	3	10	7
159	Bayana-Agra Section.—Remodelling 16 span of 133' old and under strength girders by new ones on Jumna Bridge No. 162	28 R. 10	·01	·05	27.94
160	Junagadh-Veraval Section.—Replacing the existing clear span by new ones .	21 R. 4	12	8	1
161	Providing dynamo and battery equipments in 156 non-equipped coaches on the Metre Gauge	25	24.8	·2	..
162	Bombay.—Providing a 150 bed hospital at	58	45	10	3
163	Kotah.—Providing a township for the staff of the proposed wagon repair shop at	62	1	21	4
164	Baroda-Anand.—Doubling the track between	1,19	99	19	1
165	Bandra-Borivli.—Works required in connection with intensification of suburban services	37	35	2	..
166	Jogeshwari.—Providing an auxiliary Terminus at	22	17	4	1
167	Ahmedabad.—Remodelling yard at .	1,71	28	21	1,22
168	Godhra.—Remodelling the yard at .	41	39	2	..
169	Jaipur.—Remodelling the station yard at	55	19	11	25
170	Phulera.—Remodelling the yard at .	58	38	15	5
171	Mehsana.—Remodelling the yard at .	52	48	3	1
172	Nagda-Kotah Section.—Providing standard III Multiple Aspect Upper Quadrant signalling at	26	·5	1	24·5
173	Sabarmati.—Providing a central workshop for the manufacture of signalling and interlocking materials . .	30	21	9	..
174	Mahalakshmi.—Remodelling of wagon shop for conversion into a carriage repair shop at	34	19	10	5
175	Kotah.—Provision of a new wagon repair shop at	2,10	88	80	42

(Figures in lakhs of rupees

	Description of work	Latest anticipated cost	Approximate expenditure to end of 1958-59	Provision for 1959-60	Balance to complete
176	Ajmer.—Remodelling of carriage and wagon shop at	95	81	4	10
177	Rajkot.—Providing a new carriage repair shop at	1,00	6	3	91
178	Sabarmati.—Providing a bridge and points and crossing workshop at . . .	52	46	6	..
179	Rajkot.—Providing a loco shed at .	23	11	10	2
180	Sabarmati.—Providing a new General Stores Depot at	31	24	6	1
	OTHER WORKS				
181.	Perambur.—Integral Coach Factory .	7,13	6,95	18	..
182	Perambur.—Providing immediate facilities required for Furnishing Coach Bodies at	21	17	1	3
183	Perambur.—Providing a Permanent Furnishing Unit for Integral Coach Body Shells.	3,70	54	50	2,66
184	Perambur.—Introduction of second shift at	89	2	6	
185	Expansion of Chittaranjan Locomotive Work.	2,28	96	76	56
186	Chittaranjan.—Construction of Locomotive building works at . . .	14,74	14,62	0.2	11.8
187	Varanasi.—Loco Component Works .	4,79	1,01	2,10	1,68

APPENDIX

Passenger and other Railway

Railways	Water supply at stations, parcel offices and goods shed premises, including overhead watering arrangements and purification plants installed for Railway users, water coolers, electric or otherwise, water trollies etc.	Provision of Retiring Rooms and waiting accommodation including reinforced cement concrete and other types of benches at stations, parcel offices, goods sheds etc. including extension or improvements to existing waitingarrangements.	Refreshment Rooms and vendors stalls of all descriptions at stations, parcel offices, goods sheds etc.	Provision or improvement of latrines at stations, parcel offices, goods sheds etc.	Raising extending, widening, surfacing, covering, or other improvements on platforms at stations including provision of seats, hedges, shade trees on platforms at stations, parcels offices and goods sheds etc.	Provision of new over-bridges or subways and extensions, improvements and covering of existing over-bridges or subways within station premises to connect platforms or offices at stations, parcel offices, goods sheds etc.	Provision of bathing facilities at stations.	Provision or improvements to approaches and circulating areas at stations, parcel offices, goods sheds etc., including improved lighting, tonga-car-cycle-rickshaw stands, sheds for bullock and other carts, water troughs, etc.
1	2	3	4	5	6	7	8	9
Central .	2,00	5,00	1,00	75	7,00	1,00	10	75
Eastern . .	1,57	2,62	16	42	7,70	96	4	14
Northern . .	2,00	1,85	3	20	3,66	1,30	..	1
Northeastern .	2,08	5,16	95	1,13	2,61	64	33	18
Northeast Frontier	5,10	9,52	3,44	2,75	3,95	1,20	1,40	2,18
Southern . .	1,60	9,30	1,95	1,73	17,31	1,20	48	2,85
Southeastern .	8,00	6,50	..	3,50	16,23	5,50	..	6,50
Western . .	1,00	8,00	30	1,50	8,00	9,00	1,00	2,50
TOTAL .	23,35	47, 95	7,83	11,98	66,46	20,80	3,35	15,11

II

Users' Amenities, 1959-60

(Figures in thousands of rupee)

Improvement to existing carriages such as provision of fans, improved lighting and lavatories, generating equipment, refrigerators in dining cars, special insulations in roofs, bigger water tanks in carriages, better fittings etc.	Improved lighting and provision of fans on platforms or in waiting halls and sheds or vendors stalls at stations parcel offices, goods sheds, etc.	Washable aprons on passenger platform line.	Opening of new flag stations or conversion of halts into flag stations.	Exhibition of sheet time table in glass fronted frames at stations.	Works provided in connection with melas.	Any other work considered essential for meeting the requirement of Railway users at any station, *e.g.*, better sitting or improvements or additions, to Booking Offices, Parcel or goods Delivery Windows, provision of information Kiosks, improved arrangements for dealing with luggage, self-printing or Ticket Issuing Machines, provision of public announcement system etc.	Total
10	11	12	13	14	15	16	17
5,77	1,00	..	..	.	.	63	2500
7,13	6,01	..	2,40	..	..	1,98	31,13
1,56	6,72	77	1,02	..	10	4,18	23,40
7,29	57	..	1,23	3	..	7,74	29,94
1,00	4,20	1,00	2,00	50	..	1,30	39,54
4,77	1,46	..	..	..	..	2,35	45,00
2,00	4,50	..	..	..	..	8,50	61,23
2,36	5,14	..	..	..	..	1,20	40,00
31,88	29,60	1,77	6,65	53	10	27,88	2,95,24

APPENDIX

Amenities for

WORKS

Railways	New Hospital dispensaries and additions and improvements to existing ones	New Schools and additions, alterations and improvements to existing ones	New Institutes, Rest Houses, Sports Grounds and Reading rooms and improvements and additions to existing ones	Provision and improvement of health and welfare works, child welfare and maternity centres, cooling arrangements for workshops, canteens and Rest Rooms for workmen	Provision and improvement of sanitation, water supply, road-lighting and marketing facilities in Railway Colonies	Provision for Officers Quarters	Improvements and alteratatation to existing quarters of whatever Type
1	2	3	4	5	6	7	8
Central . .	18,05	..	4,00	7,46	13,60	7,27	10,00
Eastern . .	5,56	2,64	39	3,23	12,93	4,49	13,10
Northern . .	21,64	1,30	1,90	54	5,16	87	10,66
Northeastern .	3,50	2,87	1,25	1,10	11,88	16	1, 1
North east Frontier	9,49	2,10	2,42	2,92	8,97	10,71	2,19
Suothern . .	34,56	..	4,32	3,61	18,48	2,26	8,69
Southeastern . .	8,97	8,47	1,38	14,80	15,00	2,60	2, 7
Western . .	41,27	2,85	3,56	1,80	9,97	2,00	15
Integral Coach Factory . .	..	..	..	..	..	..	..
Chittaranjan Locomotive Works	..	..	..	75	12,39	..	..
TOTAL .	1,43,04	20,23	19,22	36 21	1,08,38	30,36	48,93

III.

Staff in 1959-60

(Figures in thousands of rupees)

				OTHER SERVICES					
Quarters for Class III staff	Quarters for Class IV staff	Other Works	Total	Medical expenses.	Health & Welfare Services	Educatoin	Canteen and other staff amenities	Total	Grand Total
9	10	11	12	13	14	15	16	17	18
41,86	54,74	45,52	2,02,50	48,10	43,74	52,21	8,57	1,52,62	3,55,12
51,56	55,48	5,33	1,54,71	34,08	48,73	23,56	7,50	1,13,87	2,68,58
30,45	33,89	5,46	1,11,87	36,54	57,91	32,93	6,53	1,33,91	2,45,78
28,95	18,12	5,40	74,40	20,43	27,44	19,24	4,26	71,37	1,45,77
68,99	33,73	1,51	1,43,03	25,37	37,11	15,06	2,45	79,99	2,23,02
19,92	40,13	2,35	1,34,32	46,14	32,90	25,31	3,08	1,07,43	2,4 1,75
49,co	59,43	15,38	1,78,00	21,26	52,86	37,30	4,71	1,16,13	2,94,13
63,85	5,00	7,55	1,38,00	45,32	34,97	39,51	6,18	1,25,98	2,63,98
..	..	..	..	..	..	..	..	..	..
21,56	..	..	34,70	..	..	..	..	..	4,70
3,76,14	3,00,52	88,50	11,71,53	2,77,24	3,35,66	2,45,12	43,28	9,01,30	20,72,83

APPENDIX—IV

CAPITAL AND DEPRECIATION RESERVE FUND EXPENDITURE ON OPEN LINES AND NEW CONSTRUCTIONS DURING 1959-60

(Figures in thousands of rupees)

Railways	OPEN LINES						NEW CONSTRUCTIONS					
	Rolling Stock		Other Items		Total		Lines in Progress		New Lines		Total	
	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund	Capital	Depreciation Fund
Central	40,88	67,92	5,99,73	7,83,97	6,40,61	8,51,89	6,50	90	..	..	6,50	90
Eastern	43,91	98,75	—53,36	5,03,56	—9,45	6,02,31	6,62,00	..	9,90	..	6,71,90	..
Northern	97,11	19,66	2,61,79	5,23,44	3,58,90	5,43,10	3,52,29	..	10,00	..	3,62,29	..
North Eastern	1,26,79	39,39	1,10,30	5,82,04	2,37,09	6,21,43	..	..	..	..	..	..
Northeast Frontier	..	..	87,93	2,85,36	87,93	2,85,36	2,65,00	..	5,00	..	2,70,00	..
Southern	50,39	1,86,79	5,41,20	8,21,66	5,91,59	10,08,45	4,60	..	..	..	4,60	..
Southeastern	20,29	65,38	12,15,12	4,58,79	12,35,41	5,24,17	5,82,00	..	2,50,00	..	8,32,00	..
Western	60,06	1,01,49	1,17,55	4,84,67	1,77,61	5,86,16	7,00	..	10,00	..	17,00	..
Chittaranjan Locomotive Works	..	..	18,89	1,73	18,89	1,73	..	..	..	..	..	..
Integral Coach Factory (Perambur)	..	..	—2,10	..	—2,10	..	..	..	..	..	..	..
Calcutta Electrification Project	..	..	..	..	..	..	24,96,77	8,90	..	..	24,96,77	8,90
Ganga Bridge	..	..	..	..	..	..	36,81	..	..	..	36,81	..

Loco Component Works (Varanasi) .	..	..	2,16,77	..	2,16,77	..	..	..	..	..	..	..
Railway Board	51,50,00	18,50,00	50,00	..	52,00,00	18,50,00	..	..	..	..	..	..
TOTAL . .	55,89,43	24,29,38	31,63,82	44,45,22	87,53,25	68,74,60	44,12,97	9.80	2,84,90	..	46,97,87	9,80
Probable Savings	..	..	..	..	-10,68,03	..	..	..	..	..	—2,01,75	—41
TOTAL—OPEN LINE AND NEW CONSTRUCTIONS.	..	..	..	..	76,85,22	..	..	..	..	..	44,96,12	9,39

APPENDIX V

DEVELOPMENT FUND EXPENDITURE ON OPEN LINES AND NEW CONSTRUCTION DURING 1959-60

(Figures in thousands of rupees)

Railways	Open Line Works			New Constructions and Restorations		
	Works in Progress	New Works	Total	Lines in Progress	New Lines	Total
Central	4,93,45	67,85	5,61,30	2,07,60	..	2,07,60
Eastern	1,46,13	35,80	1,81,93	..	..	..
Northern	3,39,83	29,06	3,68,89	9,43	..	9,43
Northeastern	2,04,82	40,34	2,45,16	..	..	..
Northeast Frontier	2,18,40	41,34	2,59,74	..	..	..
Southern	5,16,53	35,78	5,52,31	4,30	..	4,30
Southeastern	3,16,80	32,84	3,49,64	..	..	..
Western	4,86,49	78,85	5,65,34	..	..	..
TOTAL	27,22,45	3,61,86	30,84,31	2,21,33	..	2,21,33
Probable Savings	..	..	—1,46,10	..	..	—10,54
NET	..	..	29,38,21	..	..	2,10,79

APPENDIX VI

CAPITAL-AT-CHARGE OF INDIAN GOVERNMENT RAILWAYS, ETC.

(In lakhs of rupees)

Railways	1957-58	1958-59	1959-60
1. Central	218,51	231,84	236,72
2. Eastern	168,09	177,67	182,77
3. Northern	181,36	198,58	204,40
4. Northeastern	71,82	77,56	79,28
5. Northeast Frontier	58,72	61,34	64,41
6. Southern	160,07	171,38	175,96
7. Southeastern	146,53	179,55	197,80
8. Western	161,66	185,04	185,70
9. Chittaranjan Locomotive Works	21,35	22,45	22,15
10. Integral Coach Factory (Perambur)	10,63	10,72	10,43
11. Railway Board and other Miscellaneous items	2,37	3,62	55,62
12. Mokameh—Providing B.G. Rail-*cum*-Road Bridge over the Ganga at—	8,30	9,92	10,27
13. Railway Electrification	12,82	20,15	44,05
14. Loco Components Works, Varanasi	21	1,03	3,10
15. Metre Gauge Coach Factory, Bareilly	..	1	1
TOTAL	1,222,44	1,350,86	1,472,67

NOTE 1.—The figures against the Eastern, Northern and Northeastern Railways include the estimated capital-at-charge of the portions of the Ex-Assam Railway, Ex-Eastern Punjab Railway and late Bengal Assam Railway. The figures against Northeastern and Northeast Frontier Railways are provisional.

The capital-at-charge of the various railways has been reduced without financial adjustment to the extent of 48 lakhs in 1957-58, on account of the revision of the *ad hoc* balances on 15-8-1947, consequent on various accounting adjustments since effected in pre-partition accounts (1-4-1947 to 14-8-1947) and increased by 11 lakhs (7 lakhs pertaining to Paralam-Karaikkal Rly. and 4 lakhs in respect of ex-States Railways).

NOTE 2.—The capital-at-charge of States lines amalgamated with Government Railways during 1949-50 and of worked lines, which vested in the Centre from 1-4-1950 which has been added to the capital of the respective Railways of which they now form part is still provisional.

NOTE 3.—The capital-at-charge to end of 1958-59 includes an amount of 556 lakhs against Western Railway and 198 lakhs against Northern Railway due to the proposed transfer from Development Fund of the cost of Desra-Gandhidham and Chuna Robertsganj lines respectively.

APPENDIX VII

CENTRAL RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	2,35,71	2,68,20	2,90,73	2,87,73	3,08,20	3,25,10	3,25,10
Third	16,38,03	17,00,00	17,67,09	18,69,21	18,80,90	17,88,70	18,85,70
(*ii*) Other Coaching	5,43,99	5,69,46	5,75,18	6,80,56	6,71,90	6,58,30	6,45,20
(*b*) Goods	31,65,58	36,71,72	41,62,42	41,93,61	45,27,50	44,68,40	46,26,70
(*c*) Sundry Other Earnings	1,19,04	1,36,03	1,31,16	1,61,34	1,51,20	1,87,30	1,51,20
TOTAL	57,02,35	63,45,41	69,26,58	71,92,45	75,39,70	74,27,80	76,33,90
Suspense	1,35	27,71	24,16	25,42	..	..	..
Gross Traffic Receipts*	57,03,70	63,73,12	69,50,74	72,17,87	75,39,70	74,27,80	76,33,90
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	4,45,58	4,83,84	5,28,78	4,85,07	4,91,58	5,11,23	5,21,51
(*ii*) Repairs and Maintenance	12,41,17	13,34,28	15,00,11	15,97,88	14,79,88	15,55,13	15,53,98
(*iii*) Operating Staff	7,55,77	8,35,43	8,74,95	8,70,72	8,86,33	9,32,85	9,33,63
(*iv*) Operation (Fuel)	4,20,27	4,09,41	5,03,31	8,74,77	9,49,18	9,52,21	9,89,87
(*v*) Operation other than Staff and Fuel	3,06,94	2,89,84	2,92,10	3,04,50	2,81,51	2,86,00	2,70,57
(*vi*) Miscellaneous Expenses	2,87,09	2,24,48	2,69,79	2,83,65	2,87,97	3,17,98	3,08,28
(*vii*) Labour Welfare	67,89	87,97	98,53	1,21,79	1,30,49	1,40,14	1,52,62
TOTAL	35,24,71	36,65,25	40,67,57	45,38,38	45,06,94	46,95,54	47,30,46
Suspense	54,73	67,78	37,80	—46,10	—12,43	—68,17	—34,27
Total Ordinary Working Expenses	35,79,44	37,33,03	41,05,37	44,92,28	44,94,51	46,27,37	46,96,19

Appropriation to Depreciation Reserve Fund	[5,95,57	8,86,29	8,84,33	8,57,97	8,52,16	8,42,79	[8,13,17
Payments to Worked Lines as share of earnings	7,51	8,22	8,03	8,95	8,06	9,30	[9,30
TOTAL WORKING EXPENSES	41,82,52	46,27,54	49,97,73	53,59,20	53,54,73	54,79,46	55,18,66
Net Traffic Receipts	15,21,18	17,45,58	19,53,01	18,58,67	21,84,97	19,48,34	21,15,24
Miscellaneous Transactions—							
(*a*) Receipts—							
Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	90	1,32	1,49	1,98	1,88	2,16	2,16
(*iii*) Miscellaneous Railway Receipts	9	11	1	2	3	31,44	4
TOTAL RECEIPTS	99	1,43	1,50	2,00	1,91	33,60	2,20
(*b*) Expenditure—							
(*i*) Rebate	..	..	..	..	..	..	..
(*ii*) Land	..	..	..	..	..	..	..
(*iii*) Surveys	1,92	3,19	8,20	3,77	15	95	2,18
(*iv*) Open Line Works—Revenue	87,67	95,10	1,24,92	1,76,58	2,42,22	2,03,33	2,56,17
TOTAL EXPENDITURE	89,59	98,29	1,33,12	1,80,35	2,42,37	2,04,28	2,58,35
Net Miscellaneous Receipts	—88,60	—96,86	—1,31,62	—1,78,35	—2,40,46	—1,70,68	—2,56,15
Net Revenue	14,32,58	16,48,72	18,21,39	16,80,32	19,44,51	17,77,66	18,59,09
Dividend to General Revenues	6,74,10	6,87,03	7,42,37	8,12,83	8,71,88	8,86,50	9,24,76
Profit (+) and loss (—) for the year	7,58,48	9,61,69	10,79,02	8,67,49	10,72,63	8,91,16	9,34,33
Includes receipts of Worked Lines	15,18	15,04	14,68	16,27	14,65	16,91	16,91

APPENDIX VII—*contd.*

EASTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55 (A)	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	2,17,03	1,28,81	1,45,53	1,27,44	1,45,90	1,19,80	1,20,10
Third	17,22,55	11,45,34	12,29,16	12,18,63	12,36,00	11,60,80	11,61,70
(*ii*) Other Coaching	4,14,59	2,24,18	2,09,13	2,21,27	2,44,70	2,39,70	2,34,90
(*b*) Goods	51,61,54	31,42,71	30,64,58	34,48,54	39,24,70	36,83,40	44,23,90
(*c*) Sundry Other Earnings	1,39,67	91,30	1,10,24	1,35,02	1,37,90	1,23,70	1,37,90
TOTAL	76,55,38	47,32,34	47,58,64	51,50,90	56,89,20	53,27,40	60,78,50
Suspense	4,96	—28,13	—36,98	—5,88	—10,00	—10,00	..
Gross Traffic Receipts	76,60,34	47,04,21	47,21,66	51,45,02	56,79,20	53,17,40	60,78,50
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	8,05,60	5,06,77	5,83,74	5,18,56	4,98,59	5,54,51	5,64,29
(*ii*) Repairs and Maintenance	21,54,99	13,91,97	14,72,67	14,30,79	13,60,24	13,14,55	12,98,64
(*iii*) Operating Staff	11,94,76	7,80,25	8,45,50	7,99,28	7,83,07	7,89,93	7,88,44
(*iv*) Operation (Fuel)	1,47,71	—88,37	—3,29	4,74,94	4,53,24	5,22,49	5,49,17
(*v*) Operation other than Staff and Fuel	1,90,36	87,80	91,82	1,24,84	75,96	99,98	1,01,44
(*vi*) Miscellaneous Expenses	5,81,13	2,76,62	3,10,18	3,24,16	3,20,30	3,47,91	3,32,04
(*vii*) Labour Welfare	1,23,32	70,51	74,11	92,31	99,49	1,08,00	1,13,87
TOTAL	51,97,87	30,25,55	33,74,73	37,64,88	35,90,89	37,37,37	37,47,89
Suspense	25,49	—16,11	14,87	—10,26	—2,50	—19,59	—12,39
Total Ordinary Working Expenses	52,23,36	30,09,44	33,89,60	37,54,62	35,88,39	37,17,78	37,35,50

Appropriation to Depreciation Reserve Fund	7,81,66	6,65,00	6,52,72	6,32,91	6,32,75	6,48,30	6,23,19
TOTAL WORKING EXPENSES	60,05,02	36,74,44	40,42,32	43,87,53	42,21,14	43,66,08	43,58,69
Net Traffic Receipts	16,55,32	10,29,77	6,79,34	7,57,49	14,58,06	9,51,32	17,19,81
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	4	..	..	1	..	..	..
(*iii*) Miscellaneous Railway Receipts	38	13	11	5,01	3	22,24	1
TOTAL RECEIPTS	42	13	11	5,02	3	22,24	1
(*b*) Expenditure—							
(*i*) Land	7	7	8	..	..	..	..
(*ii*) Surveys	—7	—30	5,57	1,30	..	—83	..
(*iii*) Open Line Works—Revenue	70,91	49,17	80,91	1,21,30	1,23,17	1,03,67	1,12,17
TOTAL EXPENDITURE	70,91	48,94	86,56	1,22,60	1,23,17	1,02,84	1,12,17
Net Miscellaneous Receipts	—70,49	—48,81	—86,45	—1,17,58	—1,23,14	—80,60	—1,12,16
Net Revenue	15,84,83	9,80,96	5,92,89	6,39,91	13,34,92	8,70,72	16,07,65
Dividend to General Revenues	8,81,42	5,15,72	4,58,34	6,06,52	6,44,81	6,73,11	6,86,24
Profit (+) and loss (—) for the year	7,03,41	4,65,24	1,34,55	33,39	6,90,11	1,97,61	9,21,41

(A) The Actuals for 1954-55 represent the transactions of the ex-Eastern Railway which was split into the new Eastern and Southeastern Railways with effect from 1-8-1955.

APPENDIX VII—*contd.*

NORTHERN RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budge Estimate 1959-60
affic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	1,99,55	2,30,98	2,36,01	2,50,37	2,58,10	2,37,90	2,37,90
Third	16,90,68	18,26,04	19,26,47	20,55,26	20,42,70	19,83,00	20,09,50
(*ii*) Other Coaching	2,38,65	2,82,65	2,56,98	3,27,52	3,00,70	2,94,60	2,88,70
(*b*) Goods	20,63,02	25,67,27	29,30,67	33,06,29	37,10,90	37,06,20	39,05,70
(*c*) Sundry Other Earnings	93,09	1,02,50	1,31,22	1,21,67	1,29,10	1,55,20	1,29,10
TOTAL	42,84,99	50,09,44	54,81,35	60,61,11	64,41,50	63,76,90	65,70,90
Suspense	1,15	2,39	—37,53	4,72	—4,00	—4,00	—1,00
Gross Traffic Receipts	42,86,14	50,11,83	54,43,82	60,65,83	64,37,50	63,72,90	65,69,90
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	4,82,33	5,08,72	5,57,38	5,14,45	5,38,16	5,47,21	5,57,80
(*ii*) Repairs and Maintenance	10,33,39	11,67,09	13,57,83	12,86,96	13,68,84	13,31,54	13,64,33
(*iii*) Operating Staff	7,44,17	8,02,53	8,50,89	8,48,57	9,11,55	9,04,79	9,18,78
(*iv*) Operation (Fuel)	2,90,34	3,03,68	3,27,25	6,80,01	7,38,54	7,70,14	8,29,92
(*v*) Operation other than Staff and Fuel	1,68,72	1,33,43	1,45,12	2,42,24	2,26,48	2,42,35	2,35,02
(*vi*) Miscellaneous Expenses	2,33,68	2,13,07	2,59,46	2,44,98	2,57,46	2,95,44	2,81,34
(*vii*) Labour Welfare	74,12	78,27	87,77	1,13,43	1,17,47	1,25,75	1,33,91
TOTAL	30,26,75	32,06,79	35,85,70	39,30,64	41,58,50	42,17,22	43,21,10
	13,31	—12,43	10,84	—4,94	2,92	—4,26	10,53
Ordinary Working Expenses	30,40,06	31,94,36	35,96,54	39,25,70	41,61,42	42,12,96	43,31,63

Appropriation to Depreciation Reserve Fund	4,90,10	7,28,29	7,26,75	7,16,12	7,08,69	6,99,45	6,96,52
TOTAL WORKING EXPENSES	35,30,16	39,22,65	43,23,29	46,41,82	48,70,11	49,12,41	50,28,15
Net Traffic Receipts	7,55,98	10,89,18	11,20,53	14,24,01	15,67,39	14,60,49	15,41,75
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	3	86	..	3,03	85	..	..
(*iii*) Miscellaneous Railway Receipts	1,22	1,33	1,67	1,82	2,34	58,11	2,34
TOTAL RECEIPTS	1,25	2,19	1,67	4,85	3,19	58,11	2,34
(*b*) Expenditure—							
(*i*) Rebate	..	..	..	..	..	..	..
(*ii*) Land	..	..	..	..	..	..	..
(*iii*) Surveys	..	..	..	..	..	..	..
(*iv*) Open Line Works—Revenue	—23	65	7,01	2,44	10	—40	1,38
TOTAL EXPENDITURE	98,72	1,36,30	2,02,08	2,16,71	2,86,69	2,26,91	3,00,45
Net Miscellaneous Receipts	98,49	1,36,95	2,09,09	2,19,15	2,86,79	2,26,51	3,01,83
Net Revenue	—97,24	—1,34,76	—2,07,42	—2,14,30	—2,83,60	—1,68,40	—2,99,49
Dividend to General Revenues	6,58,74	9,54,42	9,13,11	12,09,71	12,83,79	12,92,09	12,42,26
Profit (+) and loss (—) for the year	5,38,59	5,55,65	6,01,95	6,59,30	7,08,87	7,38,56	7,73,53
	1,20,15	3,98,77	3,11,16	5,50,41	5,74,92	5,53,53	4,68,73

APPENDIX VII—*contd.*

NORTHEASTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	82,04	90,18	1,01,61	90,44	78,00	54,00	55,30
Third	10,18,86	10,55,83	11,83,85	11,19,58	8,63,80	8,10,80	8,27,70
(*ii*) Other Coaching	1,15,93	1,10,24	1,35,45	2,04,97	1,10,30	1,10,00	1,10,00
(*b*) Goods	10,80,90	11,53,94	14,57,92	18,06,48	11,24,00	9,49,20	10,99,70
(*c*) Sundry Other Earnings	50,63	77,59	66,64	90,63	52,10	37,80	52,10
TOTAL	23,48,36	24,87,78	29,45,47	33,12,10	22,28,20	19,61,80	21,44,80
Suspense	—23,00	77,04	—30,96	—65,65	—13,00	—13,00	—13,00
Gross Traffic Receipts*	23,25,36	25,64,82	29,14,51	32,46,45	22,15,20	19,48,80	21,31,80
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	3,92,86	4,15,59	4,61,66	4,26,79	2,56,74	2,81,12	2,93,67
(*ii*) Repairs and Maintenance	8,67,87	9,08,59	9,55,67	10,93,40	5,61,64	6,04,32	6,50,81
(*iii*) Operating Staff	5,09,38	5,57,71	6,18,04	6,95,95	4,38,39	4,29,45	4,43,97
(*iv*) Operation (Fuel)	2,26,86	2,59,67	3,21,15	4,31,54	2,37,70	2,69,68	2,82,52
(*v*) Operation other than Staff and Fuel	1,50,45	1,34,18	1,29,94	2,02,90	1,31,58	1,48,60	1,93,08
(*vi*) Miscellaneous Expenses	2,14,99	1,64,14	1,76,89	1,39,46	1,10,71	1,14,39	1,13,74
(*vii*) Labour Welfare	64,19	72,56	98,78	1,08,45	62,07	58,66	71,37
TOTAL	24,26,60	25,12,44	27,62,13	30,98,49	17,98,83	19,06,22	20,49,16
Suspense	97,00	2,76	— 79,24	7,31	— 7,88	— 12,20	—1,11
Total Ordinary Working Expenses	25,23,60	25,15,20	26,82,89	31,05,80	17,90,95	18,94,02	20,48,05

Appropriation to Depreciation Reserve Fund	3,10,81	4,84,42	4,93,79	5,24,38	3,03,72	2,76,98	2,72,04
Payments to Worked Lines as share of earnings	2,47	2,58	3,09	2,58	..	..	..
Total Working Expenses	28,36,88	30,02,20	31,79,77	36,32,76	20,94,67	21,71,00	23,20,09
Net Traffic Receipts	—5,11,52	—4,37,38	—2,65,26	—3,86,31	1,20,53	—2,22,20	—1,88,29
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	— 16	—2	17	3	..	..	10
(*iii*) Miscellaneous Railway Receipts	..	..	..	..	1	14,64	1
Total Receipts	—16	—2	17	3	1	14,64	11
(*b*) Expenditure—							
(*i*) Rebate	9	10	..	..	..	..	..
(*ii*) Surveys	44	56	1,95	1,38	..	— 5	11
(*iii*) Open Line Works—Revenue	69,10	92,37	90,85	75,39	1,11,93	92,75	1,15,48
Total Expenditure	69,63	93,03	92,80	76,77	1,11,93	92,70	1,15,59
Net Miscellaneous Receipts	— 69,79	— 93,05	— 92,63	— 76,74	— 1,11,92	—78,06	—1,15,48
Net Revenue	—5,81,31	—5,30,43	—3,57,89	—4,63,05	8,61	—3,00,26	—3,03,77
Dividend to General Revenues	3,60,26	3,82,49	4,42,37	4,83,72	3,14,96	2,95,46	3,10,86
Profit (+) and loss (—) for the year	— 9,41,57	— 9,12,92	—8,00,26	—9,46,77	—3,06,35	—5,95,72	—6,14,63
*Includes receipts of Worked Lines	4,93	5,15	6,18	5,16	..	..	:

Excludes the figure for the N.F. Rly. formed with effect from 15-1-1958.

APPENDIX VII—*contd.*

NORTHEAST FRONTIER RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	..	..	..	...	33,80	25,20	25,20
Third	..	..	..	..	3,75,40	3,23,70	3,10,90
(*ii*) Other Coaching	..	..	..	..	47,90	75,00	75,00
(*b*) Goods	..	..	..	..	6,91,70	7,81,10	7,98,30
(*c*) Sundry Other Earnings	..	..	..	..	37,00	49,70	37,00
Total	..	..	..	..	11,85,80	12,54,70	12,46,40
Suspense	..	..	..	..	— 12,00	— 12,00	—14,00
Gross Traffic Receipts*	..	..	..	..	11,73,80	12,42,70	12,32,40
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	..	..	..	..	1,81,43	1,61,46	1,76,45
(*ii*) Repairs and Maintenance	..	..	..	..	4,73,36	5,97,17	6,21,05
(*iii*) Operating Staff	..	..	..	..	3,07,11	3,13,83	3,31,54
(*iv*) Operation (Fuel)	..	..	..	..	1,54,58	1,86,60	1,97,54
(*v*) Operation other than Staff and Fuel	..	..	..	..	66,76	86,44	1,11,92
(*vi*) Miscellaneous Expenses	..	..	..	..	87,03	87,75	1,05,94
(*vii*) Labour Welfare	..	..	..	..	59,29	63,55	79,99
Total	..	..	..	..	13,29,56	14,96,80	16,24,43
Suspense	..	..	..	..	5,90	—9,42	—29,18
Total Ordinary Working Expenses	..	..	..	..	13,35,46	14,87,38	15,95,25

Appropriation to Depreciation Reserve Fund	..	..	..	..	2,03,26	2,26,48	2,15,13
Payments to worked lines as share of earnings	..	..	..	..	2,84	2,80	2,74
Total Working Expenses	..	..	..	..	15,41,56	17,16,66	18,13,14
NET Traffic Receipts	..	..	..	..	—3,67,76	—4,73,96	—5,80,74
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	..	..	..	..	9	14	11
(*iii*) Miscellaneous Railway Receipts	..	..	..	..	..	5,00	..
Total Receipts	..	..	..	..	9	5,14	11
(*b*) Expenditure—							
(*i*) Land	..	..	..	..	..	..	..
(*ii*) Surveys		..	..	..	1,35	1,68	1,61
(*iii*) Open Line Works—Revenue	..	..	..	..	79,06	67,41	85,31
Total Expenditure	..	..	..	..	80,41	69,09	86,92
Net Miscellenous Receipts	..	..	..	..	—80,32	—63,95	—86,81
Net Revenue	..	..	..	..	—4,48,08	—5,37,91	—6,67,55
Dividend to General Revenues	..	..	..	..	2,10,54	2,37,02	2,47,02
Profit (+) and loss (—) for the year	..	..	..	..	—6,58,62	—7,74,93	—9,14,57
* Includes receipts of worked lines	..	..	..	..	5,68	5,60	5,48

NOTE.—N.F. Railway Zone has been formed with effect from 15-1-1958.

APPENDIX VII—*contd.*

SOUTHERN RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	1,95,52	2,56,42	2,8,31	2,29,38	1,95,80	2,32,60	2,29,40
Third	15,72,89	16,26,10	17,73,05	17,54,34	18,76,30	17,43,50	17,62,90
(*ii*) Other Coaching	3,33,59	3,67,05	3,60,19	3,88,39	4,20,80	4,12,30	4,04,10
(*b*) Goods	20,64,94	23,70,62	25,44,58	27,63,27	29,64,60	29,73,80	31,42,30
(*c*) Sundry Other Earnings	1,30,32	1,26,75	1,01,56	1,36,23	1,25,00	1,27,40	1,25,00
Total	42,97,26	47,46,94	50,17,69	52,71,61	55,82,50	54,89,60	56,63,70
Suspense	27,55	46,66	—19,54	—18,20	..	..	..
Gross Traffic Receipts*	43,24,81	47,93,60	49,98,15	52,53,41	55,82,50	54,89,60	56,63,70
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	4,41,04	4,58,53	4,92,57	4,72,70	4,78,45	5,01,00	5,11,64
(*ii*) Repairs and Maintenance	9,79,78	10,83,65	11,14,46	12,68,36	13,17,34	13,10,63	13,48,35
(*iii*) Operating Staff	7,85,05	8,27,03	8,46,41	8,51,91	9,28,47	9,39,47	9,55,17
(*iv*) Operation (Fuel)	7,57,28	8,02,12	8,53,08	11,63,92	12,01,55	11,95,79	12,11,49
(*v*) Operation other than Staff and Fuel	1,41,90	1,50,83	1,44,99	1,97,32	1,94,39	1,87,71	1,90,23
(*vi*) Miscellaneous Expenses	2,79,31	2,50,10	2,61,62	4,11,81	2,77,01	3,02,39	2,96,57
(*vii*) Labour Welfare	52,10	59,59	66,82	78,89	84,08	93,25	1,07,43
Total	34,36,46	36,31,85	37,79,95	44,44,91	44,81,29	45,30,24	46,20,88
Suspense	—41,36	—1,03,64	—19,28	—15,56	—2,50	—20,47	—6,93
Total Ordinary Working Expenses	33,95,10	35,28,21	37,60,67	44,29,35	44,78,79	45,09,77	46,13,95

Appropriation to Depreciation Reserve Fund	4,24,24	6,47,62	6,45,79	6,33,79	6,22,60	6,17,36	6,01,14
Payments to Worked Lines as share of earnings	14,21	15,69	21,60	14,82	11,46	(—)1,97	(—)77
Total Working Expenses	38,33,55	41,91,52	44,28,06	50,77,96	51,12,85	51,25,16	52,14,32
Net Traffic Receipts	4,91,26	6,02,08	5,70,09	1,75,45	4,69,65	3,64,44	4,49,38
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	..	1	..	..	..	..	..
(*iii*) Miscellaneous Railway Receipts	2	6	3	3	1	75,47	1
Total Receipts	2	7	3	3	1	75,47	1
(*b*) Expenditure—							
(*i*) Rebate	..	..	..	..	..	78	38
(*ii*) Surveys	3,62	5,28	4,52	—3,37	—2,52	1,80	4
(*iii*) Open Line Works—Revenue	74,71	81,74	1,02,61	1,39,40	2,44,45	2,03,27	2,45,66
Total Expenditure	78,33	87,02	1,07,13	1,36,03	2,41,93	2,05,85	2,46,08
Net Miscellaneous Receipts	—78,31	—86,95	—1,07,10	—1,36,00	—2,41,92	—1,30,38	—2,46,07
Net Revenue	4,12,95	5,15,13	4,62,99	39,45	2,27,73	2,34,06	2,03,31
Dividend to General Revenues	4,83,19	4,99,31	5,03,93	5,97,03	6,51,13	6,51,21	6,84,17
Profit (+) and loss (—) for the year	—70,24	+15,82	—40,94	—5,57,58	—4,23,40	—4,17,15	—4,80,86
*Includes receipts of Worked Lines	41,45	40,47	36,79	31,38	36,60	26,20	23,35

APPENDIX VII—*contd.*

SOUTHEASTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—						
(*a*) Coaching—						
(*i*) Passengers—						
Upper	84,10	1,01,64	1,19,32	1,15,70	1,29,30	1,29,10
Third	5,68,41	6,99,69	7,39,66	7,98,70	7,32,10	7,30,90
(*ii*) Other Coaching	2,24,61	2,65,63	2,79,37	3,10,30	3,04,00	2,98,00
(*b*) Goods	23,11,07	30,12,95	36,72,80	40,07,50	39,65,50	51,11,70
(*c*) Sundry Other Earnings	51,53	1,09,60	1,00,70	1,05,00	82,90	1,00,00
Total	32,39,72	41,89,51	49,11,85	53,37,20	52,13,80	63,69,70
Suspense	—82,20	8,76	—89,77	—19,00	—19,00	—67,00
Gross Traffic Receipts	31,57,52	41,98,27	48,22,08	53,18,20	51,94,80	63,02,70
Working Expenses—						
Ordinary Working Expenses—						
(*i*) Administration	3,64,01	3,83,18	3,84,30	3,82,04	4,25,13	4,35,48
(*ii*) Repairs and Maintenance	9,57,17	10,11,93	10,73,86	10,90,55	9,73,21	9,96,51
(*iii*) Operating Staff	5,23,90	5,53,34	5,52,83	5,68,06	5,52,63	5,68,89
(*iv*) Operation (Fuel)	1,83,55	1,77,45	4,20,61	4,16,78	4,50,92	5,20,59
(*v*) Operation other than Staff and Fuel	1,03,37	1,50,85	1,55,00	1,38,08	1,64,97	1,66,76
(*vi*) Miscellaneous Expenses	1,78,94	1,92,55	1,99,79	2,03,63	2,04,69	2,07,61
(*vii*) Labour Welfare	73,70	87,24	96,47	1,11,77	1,09,83	1,16,13
Total	23,84,64	25,56,54	28,82,86	29,10,91	28,81,38	30,11,97
Suspense	4,44	15,81	—32,90	—10	—23,74	—7,89
Total Ordinary Working Expenses	23,89,08	25,72,35	28,49,96	29,10,81	28,57,64	30,04,08

Appropriation to Depreciation Reserve Fund	4,89,68	4,85,99	5,00,22	5,48,19	5,65,14	6,29,76
Total Working Expenses	28,78,76	30,58,34	33,50,18	34,59,00	34,22,78	36,33,84
Net Traffic Receipts	2,78,76	11,39,93	14,71,90	18,59,20	17,72,02	26,68,86
Miscellaneous Transactions—						
(*a*) Receipts—						
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	..	..	..	..	..	..
(*iii*) Miscellaneous Railway Receipts	45	5	2	10	15,51	28
Total Receipts	45	5	2	10	15,51	28
(*b*) Expenditure—						
(*i*) Land	..	..	..	..	..	..
(*ii*) Surveys	374	4,16	2,20	2,53	8,14	12,00
(*iii*) Open Line Works—Revenue	40,94	50,02	95,68	1,58,12	1,18,89	1,60,21
Total Expenditure	44,68	54,18	97,88	1,60,65	1,27,03	1,72,21
Net Miscellaneous Receipts	—44,23	—54,13	—97,86	—1,60,55	—1,11,52	—1,71,93
Net Revenue	2,34,53	10,85,80	13,74,04	16,98,65	16,60,50	24,96,93
Dividend to General Revenues	3,81,20	4,06,34	4,93,82	5,63,81	6,01,94	6,78,59
Profit (+) and Loss (—) for the year	—1,46,67	6,79,46	8,80,22	11,34,84	10,58,56	18,18,34

APPENDIX VII—*contd.*

WESTERN RAILWAY

Statement of Revenue Receipts and Expenditure

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	2,03,96	2,26,46	2,38,02	2,33,62	2,70,50	2,23,30	2,29,40
Third	14,84,71	15,64,04	17,01,23	18,14,71	19,93,20	17,40,20	17,89,20
(*ii*) Other Coaching	2,77,53	3,08,39	3,06,81	3,21,29	3,58,40	3,51,10	3,44,10
(*b*) Goods	23,32,76	28,11,01	32,22,82	37,76,40	40,99,10	40,55,40	41,49,70
(*c*) Sundry Other Earnings	68,39	95,63	1,00,82	95,72	1,07,70	1,01,00	1,07,70
TOTAL	43,67,35	50,05,53	55,69,70	62,41,74	68,28,90	64,71,00	66,20,10
Suspense	10,06	18,43	—40,01	—14,49	—27,00	—27,00	—30,00
Gross Traffic Receipts	43,77,41	50,23,96	55,29,69	62,27,25	68,01,90	64,44,00	65,90,10
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	3,87,27	4,14,85	4,66,28	4,15,05	4,41,88	4,67,93	4,80,82
(*ii*) Repairs and Maintenance	9,66,52	10,24,44	11,86,90	13,10,80	13,84,71	13,63,58	14,41,90
(*iii*) Operating Staff	5,83,61	6,46,54	6,90,52	7,62,37	8,48,30	8,27,88	8,60,04
(*iv*) Operation (Fuel)	4,83,04	4,88,10	5,49,35	7,57,79	8,03,60	8,61,11	9,07,30
(*v*) Operation other than Staff and Fuel	1,67,31	1,19,09	1,10,42	2,59,46	2,76,83	2,93,51	2,99,42
(*vi*) Miscellaneous Expenses	1,86,88	1,89,66	1,76,43	2,24,83	2,21,51	2,50,33	2,52,78
(*vii*) Labour Welfare	44,27	60,02	69,92	85,28	1,02,56	1,10,81	1,25,98
TOTAL	28,18,90	29,42,70	32,49,82	38,15,58	40,79,39	41,75,15	43,68,24
Suspense	6,63	—16,94	36,02	44,10	—5,07	—59,81	—21,84
Trdinary Working Expenses	28,25,53	29,25,76	32,85,84	38,59,68	40,74,32	41,15,34	43,46,40

Appropriation to Depreciation Reserve Fund . .	3,97,62	5,98,70	6,10,63	6,34,61	6,28,63	6,23,50	[6,49,03
Payments to Worked Lines as share of earnings .	—2,87	..	..	..	..	..	..
TOTAL—WORKING EXPENSES . . .	32,20,28	35,24,46	38,96,47	44,94,29	47,02,95	47,38,84	49,95,43
Net Traffic Receipts	11,57,13	14,99,50	16,33,22	17,32,96	20,98,95	17,05,16	15,94,67
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Miscellaneous Railway Receipts . .	28	13	11	12	11	42,68	19
TOTAL—RECEIPTS	28	13	11	12	11	42,68	19
(*b*) Expenditure—							
(*i*) Land	..	..	..	..	..	1,29	..
(*ii*) Surveys	94	3,80	4,82	—7	—1,85	—1,01	8,57
(*iii*) Open Line Works—Revenue . . .	90,33	1,01,36	1,54,05	2,17,27	2,45,20	2,10,73	2,24,55
TOTAL—EXPENDITURE . .	91,27	1,05,16	1,58,87	2,17,20	2,43,35	2,11,01	2,33,12
Net Miscellaneous Receipts	—90,99	—1,05,03	—1,58,76	—2,17,08	—2,43,24	—1,68,33	—2,32,93
Net Revenue	10,66,14	13,94,47	14,74,46	15,15,88	18,55,71	15,36,83	13,51,74
Dividend to General Revenues	4,53,11	4,63,53	5,19,57	5,93,04	6,28,65	6,71,77	7,08,48
Profit (+) and Loss (—) for the year . . .	6,13,03	9,30,94	9,54,89	9,22,84	12,27,06	8,65,06	6,53,26

APPENDIX VII—*contd.*

Statement of Receipts and Expenditure of Indian Government Railways, 1959-60

(In thousands of rupees)

	Actuals, 1954-55	Actuals, 1955-56	Actuals, 1956-57	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Traffic Earnings—							
(*a*) Coaching—							
(*i*) Passengers—							
Upper	11,33,81	12,85,15	13,51,85	13,38,30	14,06,00	13,47,20	13,51,50
Third	91,27,72	94,85,76	102,80,54	105,71,39	110,67,00	102,82,80	104,78,50
(*ii*) Other Coaching	19,24,28	20,86,58	21,09,37	24,23,37	24,65,00	24,45,00	24,00,00
(*b*) Goods	158,68,74	180,28,34	203,95,94	229,67,39	250,50,00	245,83,00	272,58,00
(*c*) Sundry Other Earnings	6,01,14	6,81,33	7,51,24	8,41,31	8,45,00	8,65,00	8,40,00
TOTAL	286,55,69	315,67,16	348,88,94	381,41,76	408,33,00	395,23,00	423,28,00
Suspense	22,07	61,90	—1,32,10	—1,63,85	—85,00	—85,00	—1,25,00
Gross Traffic Receipts ‡	286,77,76	316,29,06	347,56,84	379,77,91	407,48,00	394,38,00	422,03,00
Working Expenses—							
Ordinary Working Expenses—							
(*i*) Administration	29,54,68	31,52,31	34,73,59	32,16,92	32,68,87	34,49,59	35,41,66
(*ii*) Repairs and Mainetenance	72,43,72	78,67,19	86,00,28	90,62,06	90,36,56	90,50,13	92,75,57
(*iii*) Operating Staff	45,72,74	49,73,39	52,79,65	53,81,63	56,71,28	56,90,83	58,00,46
(*iv*) Operation (Fuel)	23,25,50	23,58,16	27,28,30	48,03,58	49,55,17	52,08,94	54,88,40
(*v*) Operation other than Staff and Fuel	11,25,68	10,18,54	10,65,24	14,86,26	13,91,59	15,09,56	15,68,44
(*vi*) Miscellaneous Expenses	17,83,08	14,97,01	16,46,92	18,28,68	17,65,62	19,20,88	18,98,30
(*vii*) Labour Welfare	4,25,89	5,02,62	5,83,17	6,96,61	7,67,22	8,09,99	9,01,30
TOTAL	204,31,29	213,69,22	233,77,15	264,75,74	268,56,31	276,39,92	284,74,13
Suspense	1,55,80	—74,14	16,58	—58,43	—21,66	—2,17,66	—1,03,08
Total —Ordinary Working Expenses	205,87,09	212,95,08	233,93,73	264,17,31	268,34,65	274,22,26	283,71,05
Appropriation to Depreciation Reserve Fund	30,00,00	45,00,00	45,00,00	45,00,00	45,00,00	45,00,00	45,00,00

Payments to Worked Lines as share of earnings	21,32	26,49	32,72	26,34	22,36	10,13	11,27
TOTAL—WORKING EXPENSES;	236,08,41	258,21,57	279,26,45	309,43,65	313,57,01	319,32.39	328,82,32
Net Traffic Receipts	50,69,35	58,07,49	68,30,39	70,34,26	93.90,99	75,05,61	93,20,68
Miscellaneous Transactions—							
(*a*) Receipts—							
(*i*) Guarantee recoverable from State Governments for unremunerative lines	..	..	..	..	..	..	..
(*ii*) Other receipts from subsidised companies	81	2,17	1,66	5,05	2,82	230	2,37
(*iii*) Miscellaneous Railway Receipts	1,99	2,22	35,14	14,70	9,57	2,73,14	9,91
TOTAL—RECEIPTS	2,80	4,39	36,80	19,75	12,39	2,75,44	12,28
(*a*) Expenditure—							
(*i*) Rebate	9	10	..	..	..	78	38
(*ii*) Subsidy	7,41	5,16	6,32	5,46	8,00	14,74	6,49
(*iii*) Land	7	7	8	..	..	1,29	..
(*iv*) Surveys	7,87	17,14	36,82	8,35	—24	10,82	33,20
(*v*) Miscellaneous Railway Expenditure	1,59,13	1,58,48	1,80,52	2,19,96	2,12,39	2,23,44	2,33,44
(*vi*) Open Line Works—Revenue	4,91,44	5,96,98	8,05,44	10,42,33	14,90,84	12,26,96	15,00,00
TOTAL—EXPENDITURE	6,66,01	7,77,93	10,29,18	12,76,10	17,10,99	14,78,03	17,73,51
Net Miscellaneous Receipts	—6,63,21	—7,73,54	—9,92,38	—12,56,35	—16,98,60	—12,02,59	—17,61,23
Net Revenue	44,06,14	50,33,95	58,38,01	57,77,91	76,92,39	63,03,02	75,59,45
Dividend to General Revenues	34,96,00	36,11,86	38,16,36	44,39,93	49,58,39	50,02,75	54,40,71
Profit for the year	9,10,14	14,22,09	20,21,65	13,37,98	27,34,00	13,00,27	21,18,74
‡Includes receipts of Worked Lines	61,56	60,66	57,65	52,81	56,93	48,71	45,74

APPENDIX VIII

Depreciation Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawals towards renewals and replacements	Net accretion to Fund during the year	Nominal closing balance	Temporary loans to meet deficit	Actual closing balance
1924-25	10,35	7,29	3,06	3,06	..	3,06
1925-26	10,76	7,99	2,68	5,74	..	5,74
1926-27	10,89	8,05	2,84	8,58	..	8,58
1927-28	11,38	10,95	43	9,01	..	9,01
1928-29	12,00	9,60	2,40	11,41	..	11,41
1929-30	12,59	11,76	83	12,24	..	12,24
1930-31	13,07	11,39	1,68	13,92	..	13,92
1931-32	13,46	8,26	5,20	19,12	4,25	14,87
1932-33	13,77	6,35	7,42	26,54	10,23	12,06
1933-34	13,56	8,07	5,49	32,03	7,96	9,59
1934-35	13,72	8,66	5,06	37,09	5,06	9,59
1935-36	13,26	9,16	4,10	41,19	4,00	9,69
1936-37	13,17	7,88	5,29	47,48	—1,21	16,19
1937-38	12,59	(*a*)7,69	4,90	(b)49,90	..	(*b*)19,61
1938-39	12,56	7,08	5,48	55,38	..	25,09
1939-40	12,59	6,53	6,06	61,44	..	31,15
1940-41	12,64	7,19	5,45	66,89	..	36,60
1941-42	12,68	5,35	7,33	74,22	—7,91	51,84
1942-43	(*c*) 12,80	4,95	7,85	82,07	(*d*)—22,38	82,07
1943-44	16,87	6,64	10,23	92,30	..	92,30

The closing balances from 1933-34 to 1941-42 include Rs. 9 lakhs on account of loans to Branch Line Companies and those from 1937-38 to 1941-42 also include Rs. 31 lakhs on account of Investments in Branch Line Shares. In 1942-43 these amounts were transferred to the Railway Reserve Fund Investment Account.

(*a*) Includes 32 lakhs written off capital, on account of abandoned assets.
(*b*) Excludes 1,48 lakhs, balance for Burma Railway.
(*c*) Includes 23 lakhs transferred from Bengal and North Western and Rohilkund and Kumaon Railways' Renewal suspense.
(*d*) Includes 6,30 lakhs transferred from the Railway Reserve Fund.

APPENDIX VIII—*concld.*

Depreciation Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawals towards renewals and replacements	Net accretion to Fund during the year	Nominal closing balance	Temporary loans to met deficit	‡Actual closing balance
1944-45	17,01	8,18	8,83	(*f*)1,02,21	..	(*f*)1,02,21
1945-46	(*e*) 17,25	12,01	5,24	1,07,45	..	1,07,45
1946-47	13,21	12,37	84	1,08,29	..	1,08,29
1947-48 (1-4-47 to 14-8-1947).	6,86	2,66	4,20	(*g*)1,12,49	..	(*g*)1,12,49
1947-48 (15-8-47 to 31-3-1948).	6,81	3,27	3,54	(*h*) 95,74	..	(*h*)95,74
1948-49	(*i*) 23,11	17,28	5,83	1,01,57	..	1,01,57
1949-50	19,17	11,73	7,44	1,09,01	..	1,09,01
1950-51	33,59	26,63	6,96	(*j*) 1,23,65	..	(*j*)1,23,65‡
1951-52	(*k*) 33,79	35,87	—2,08	1,22,02	..	(*l*)1,22,02‡
1952-53	(*m*)34,42	40,89	—6,47	1,16,36	..	(*n*)1,16,36‡
1953-54	(*o*) 33,97	38,02	—4,05	1,12,79	..	(*p*)1,12,79‡
1954-55	(*q*) 33,72	45,82	—12,10	1,00,69	..	(*p*)1,00,69‡
1955-56	(*r*) 48,67	45,89	2,78	1,03,47	..	(*p*)1,03,47‡
1956-57	(*s*) 48,90	43,68	5,22	(*t*)1,03,14	..	(*t*)1,03,14‡
1957-58	(*u*) 49,38	63,62	—14,24	(*v*) 88,89	..	(*v*) 88,89‡
1958-59 (Revised Estimates)	(*w*) 48,24	81,88	—33,64	55,25	..	55,25‡
1959-60 (Budget Estimates)	(*x*) 47,39	66,70	—19,31	35,94	..	35,94‡

(*e*) Includes 20 lakhs recovered from the Bengal and North Western Company on account of over-age rolling stock.

(*f*) Includes 1,08 lakhs transferred from Renewal Reserve Fund for a permanent way and rolling stock of the Bengal Nagpur, Madras and Southern Maharatta and South Indian Railways.

(*g*) Includes 20,30 lakhs, the estimated balance relating to Pakistan Railways.

(*h*) Excludes 20,30 lakhs the estimated share less 1·19 lakhs on account of abandoned assets relating to Pakistan Railways.

(*i*) Includes 11,80 lakhs appropriated from the surplus.

(*j*) Includes 7,67 lakhs (Provisional) on account of Indian States Railways taken over from 1-4-1950. Difference of 1 is due to rounding.

(*k*) Includes 3,58 lakhs on account of interest on the balance and 21 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*l*) Includes 8.12 lakhs (Provisional) on account of ex-Indian States Railways taken over from 1-4-1950.

(*m*) Includes 4,09 lakhs on account of interest on the balance and 33 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*n*) Includes 8,93 lakhs on account of ex-Indian States Railways taken over from 1-4-1950.

(*o*) Includes 3,61 lakhs on account of interest on balance and 36 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*p*) Includes 9,41 lakhs on account of ex-Indian States Railways taken over from 1-4-1950.

(*q*) Includes 3,35 lakhs on account of interest on balance and 37 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*r*) Includes 3,26 lakhs on account of interest on balance and 41 lakhs on account of contribution relating to Chittaranjan Locomotive Works.

(*s*) Includes 3,27 lakhs on account of interest on balance and 63 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*t*) Excludes 2,76 lakhs on account of difference between *ad hoc* and revised balances of 15-8-1947 and 1,62 lakhs due to downward adjustment of D.R.F balance of ex-Mysore State Railway, taken over on 1-4-1950 and 117 lakhs interest thereon.

(*u*) Includes 3,15 lakhs on account of interest on balance and 1.23 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*v*) Excludes 1 lakh on account of difference between the *ad hoc* balance and further revised balance as on 15-8-1947.

(*w*) Includes 2,45 lakhs on account of interest on balance and 79 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

(*x*) Includes 1,58 lakhs on account of interest on balance and 81 lakhs on account of contribution relating to Chittaranjan Locomotive Works and Integral Coach Factory.

‡These figueres are provisional as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX IX

Revenue Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	Closing‡ balance
1924-25	6,38	(*a*) 38	6,00	6,00
1925-26	3,79	..	3,79	9,79
1926-27	1,49	..	1,49	11,28
1927-28	4,57	..	4,57	15,85
1928-29	2,58	..	2,58	18,43
1929-30	..	2,08	—2,08	16,35
1930-31	..	10,93	—10,93	5,42
1931-32	..	4,95	—4,95	47
1932-33	..	..	..	47
1933-34	..	..	..	47
1934-35	..	..	..	47
1935-36	..	..	..	47
1936-37	..	..	..	47
1937-38	(*b*) 1	..	1	48
1938-39	..	..	..	48
1939-40	..	..	..	48
1940-41	(*c*) 6,31	90	5,41	5,89
1941-42	..	—90	90	6,79
1942-43	8,86	(*d*) 6,30	2,56	9,35
1943-44	13,20	..	13,20	22,55
1944-45	17,89	2,96	14,93	37,48
1945-46	6,20	5,55	65	38,13
1946-47	(*b*) 13	(*e*) 15,25	—15,12	(*f*) 23,02

‡The closing balances include 47 lakhs from 1925-26 to 1936-37, 48 lakhs from 1937-38 to 1939-40, 43 lakhs from 1940-41 to 1941-42, 83 lakhs from 1942-43 to 1943-44, 90 lakhs in 1944-45, 83 lakhs in 1945-46, 52 lakhs in 1946-47, 26 lakhs from 1947-48 to 1950-51, 28 lakhs in 1951-52 40 lakhs in 1952-53, 46 lakhs in 1953-54, 50 lakhs in 1954-55, 51 lakhs in 1955-56, 57 lakhs in 1956-57, 48 lakhs in 1957-58 to 1958-59 and 44 lakhs in 1959-60 on account of investments in shares of and loans to branch line companies.

(*a*) Represents amount utilised to write down the difference between the book values and the current market price of stores.
(*b*) Includes Rs. 1 lakh profit realised on investment in branch line shares cancelled.
(*c*) Includes Rs. 1 lakh profit realised on cancellation of investments in branch line shares,
(*d*) Transferred to Depreciation Reserve Fund.
(*e*) Includes Rs. 12 crores transferred to Betterment Fund (now Development Funds).
(*f*) Difference of 1 is due to rounding.

APPENDIX IX—*concld.*

Revenue Reserve Fund

(In lakhs of rupees)

Year	Appropriation to Fund	Withdrawal from Fund	Net accretion to Fund during the year	*Closing Balance
1947-48 (1-4-47 to 14-8-47)	..	(*g*) 13,60	—13,60	9,42
1947-48 (15-8-47 to 31-3-48)	..	(*h*) 2,58	—2,58	6,84
1948-49	(*i*) 3	5	—2	6,82
1949-50	..	..	..	6,82
1950-51	5,40	—1	5,41	(*j*) 1358 *
1951-52	(*k*) 19,12	—18	19,30	(*l*) 33,72 *
1952-53	(*m*) 2,26	—4	2,30	(*n*) 36,05 *
1953-54	(*o*) 1,13	..	1,13	(*n*) 37,18*
1954-55	(*p*) 1,18	..	1,18	38,36*
1955-56	(*q*) 8,51	—2	8,53	46,89*
1956-57	(*r*) 1,52	..	1,52	(*s*) 48,07*
1957-58	(*t*) 1,61	..	1,61	49,68*
1958-59 (Revised Estimates)	(*u*) 1,10	..	1,10	(*v*) 49,38*
1959-60 (Budget Estimates)	(*w*) 1,74	..	1,74	51,12*

(*g*) To meet Railway deficit.
(*h*) To meet Railway deficit.
(*i*) Represents profit accrued on account of cancellation of investments in branch line shares.
(*j*) Includes 1,35 lakhs (Provisional) on account of Indian States Railways, taken over from 1-4-1950.
(*k*) Includes 78 lakhs on account of interest on balances and dividend etc. on investments in shares of and loans to Branch Line Companies.
(*l*) Includes 2,19 lakhs (Provisional) on account of Indian States Railways, taken over from 1-4-1950.
(*m*) Includes 1,07 lakhs on account of interest on balance and dividend etc. on investments in shares of and loans to Branch Line Companies.
(*n*) Includes 2,22 lakhs (Provisional) on account of ex-Indian States Railways, taken over on 1-4-1950.
(*o*) Represents interests on balance and dividend etc. on investments in shares of and loans to Branch Line Companies.
(*p*) Represents interest on balance and dividend etc. on investments in shares of and loans to Branch Line Companies.
(*q*) Includes 1,37 lakhs on account of interest on balance and dividend etc. on investments in shares of and loans to Branch Line Companies.
(*r*) Represents interest on balance and dividend etc. on investments in shares of and loans to Branch Line Companies.
(*s*) Excludes 7 lakhs on account of difference between *ad hoc* and revised balances on 15-8-1947 and 21 lakhs representing 25 per cent share of the balance in respect of ex-Scindia State Rly. taken over on 1-4-50 and 6 lakhs interest thereon.
(*t*) Represents interest on balance and dividend etc., on investments in shares of and loans to Branch Line Companies.
(*u*) Represents interest on balance and dividend etc., on investments in shraes of and loans to Branch Line Companies 1,65 lakhs and refund of 55 lakhs interest to A.G.C.R. on reduction of pre-partition balance *vide* note (*v*).
(*v*) Excludes 140 lakhs on account of proposed national *pro-rata* reduction in pre-partition balances on 15-8-1947.
(*w*) Represents 1,75 lakhs on account of interest on loans to Branch Line Companies and 1 lakh loss on cancellation of investments in Branch Line Shares.

*These figures are provisional as the balances of the ex-States Railways merged therein have not been finalised.

APPENDIX X
Development Fund

(In lakhs of rupees)

Year	Appropriation to Fund from—			Withdrawal from Fund for—				Net accretion to Fund during the year	*Closin Balance
	Surplus and interest on balance	Loans from General Revenues	Total	Works	Repay-ment of loans	Interest on loans	Total		
1946-47	(*a*) 15,24	..	15,24	(*d*) 41	..	..	41	14,83	14,83
1947-48 (1-4-47 to 14-8-47)	(*b*) 18	..	18	(*e*) 34	..	..	34	—16	14,67
1947-48 (15-8-47 to 31-3-48)	(*b*) 30	..	30	59	..	..	59	—29	14,38
1948-49	(*c*) 1,27	..	1,27	2,33	..	..	2,33	—1,06	13,32
1949-50	(*b*) 43	..	43	—5	..	..	—5	48	13,80
1950-51	10,52	..	10,52	5,35	..	..	5,35	5,17	(*f*) 19,44*
1951-52	(*g*) 10,65	..	10,65	7,70	..	..	7,70	2,95	(*h*) 22,48*
1952-53	(*i*) 12,76	..	12,76	8,10	..	..	8,10	4,66	(*h*) 27,14
1953-54	(j) 3,29	..	3,29	9,81	..	..	9,81	—6,52	(*h*) 20,62*
1954-55	(*k*) 9,70	..	9,70	12,78	..	..	12,78	—3,08	(*h*) 17,54*
1955-56	(*l*) 7,57	..	7,57	12,14	..	..	12,14	—4,57	12,97*
1956-57	(*m*) 20,65	..	20,65	19,84	..	..	19,84	81	(*n*) 13,75*
1957-58	(*o*) 13,63	..	13,63	25,53	..	..	25,53	—11,90	1,85*
1958-59 (Revised Estimates)	(*p*) 13,11	10,98	24,09	30,22	..	19	30,41	—6,32	(*q*) ..
1959-60 (Budget Estimates)	21,19	10,88	32,07	31,49	..	58	32,07	..	..

(*a*) This is made up of 12 crores, transferred from Railway Reserve Fund, 3 crores from the Railway surplus for 1946–47 and 24 lakhs interest on balance.
(*b*) Represent only interest on balance.
(*c*) Includes 43 lakhs on account of interest on balance.
(*d*) Includes 5 lakhs for B.A. & N.W. Railways.
(*e*) Includes 5 lakhs for B.A. & N.W. Railways.
(*f*) Includes 47 lakhs (Provisional) on account of Indian States Railways taken over from 1-4-1950.
(*g*) Includes 65 lakhs on account of interest on balance.
(*h*) Includes 56 lakhs (Provisional) on acconnt of Indian States Railways taken over from 1-4-1950.
(*i*) Includes 76 lakhs on account of interest on balance.
(*j*) Includes 73 lakhs on account of interest on balance.
(*k*) Includes 60 lakhs on account of interest on balance.
(*l*) Includes 49 lakhs on account of interest on balance.
(*m*) Includes 43 lakhs on account of inerest on balance.
(*n*) Excludes 2 lakhs on account of difference between *ad hoc* and revised balances on 15-8-1947 and 1 lakh interest thereon.
(*o*) Includes 25 lakhs on account of interest on balance.
(*p*) Includes 11 lakhs on account of interest on balance.
(*q*) Excludes 220 lakhs due to national *pro-rata* reduction in pre-partition balances on 15-8-1947 and 87 lakhs for consequent refund of interest thereon to A.G.C.R. and includes 754 lakhs due to proposed transfer of the cost of Deesa-Gandhidham and Chunar-Robertsganj lines to Capital.

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* These figures are provisional, as the balances of the ex-States Railways merged therein have not yet been finalised.

APPENDIX XI

LIST OF NEW SURVEYS UNDERTAKEN DURING 1958-59.

Central Railway.

Igatpuri-Bhusawal Electrification Survey.

Northeast Frontier Railway.

Preliminary Engineering Survey for an alternative line between Katihar and Barsoi.

Southeastern Railway.

(1) Bimlagarh-Kiriburu survey.

(2) Preliminary Engineering, Final location and Traffic Survey from Kattavalasa to Bailadilla Iron ore deposit.

(3) Survey of a line to Korea coal fields taking off from Bijuri-Karaunji line.

Railway Electrification.

(1) Durgapur Moghalsarai.

(a) Durgapur-Gaya and Paradhankanta-Patherdih.

(b) Gaya-Moghalsarai.

(2) Asansol-Sini, Tatanagar-Rourkela, Kandra-Gomharria and Raj-kharswan-Noamundi.

(3) Sealdah Division.

(4) Khargpur-Tatanagar.

(5) Howrah-Khargpur.

(6) Durgapur Docks.

LIST OF NEW SURVEYS PROPOSED TO BE UNDERTAKEN DURING 1959-60.

Northern Railway.

(1) Final location survey of avoiding line in Delhi area.

(2) Location survey for extension of Railhead across Ravi River into Jammu and Kashmir.

Northeast Frontier Railway.

Tidanga-Farakka-Khajuriaghat-Malda Survey.

Western Railway.

(1) Guna-Ujjain Final location survey.

(2) Jhund Kandla Final location Survey.

GOVERNMENT OF INDIA

BUDGET

of the

Railway Revenue and Expenditure of the Central Government For 1959-60

MINISTRY OF RAILWAYS ;
New Delhi, the 18th February, 1959

J. DAYAL,
Financial Commissioner for Railways.

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80 MofF—7

I.—Statement of the Revenue of the Central Government from Railways.

(In thousands of rupees).

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase(+) Decrease(—) as compared with Bugdet, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.	Rs.
XV.—Indian Government Railways					
Gross Receipts—					
Passenger Earnings—					
Upper	13,38,30	14,06,00	13,47,20	—58,80	13,51,50
Third	105,71,39	1,10,67,00	102,82,80	—7,84,20	104,78,50
Other Coaching Earnings	24,23,37	24,65,00	24,45,00	—20,00	24,00,00
Goods Earnings	229,67,39	250,50,00	245,83,00	—4,67,00	272,58,00
Sundry Other Earnings	8,41,31	8,45,00	8,65,00	+20,00	8,40,00
Total Earnings	381,41,76	408,33,00	395,23,00	—13,10,00	423,28,00
Suspense	—1,63,85	—85,00	—85,00	..	—1,25,00
Gross Receipts of Indian Government Railways	(*a*) 379,77,91	(*b*) 407,48,00	(*c*) 394,38,00	—13,10,00	(*d*) 422,03,00
Deduct—					
Working Expenses of Indian Government Railways	309,17,31	313,34,65	319,22,26	+5,87,61	328,71,05
Payment to Worked Lines—					
(*i*) Net earnings	26,34	22,36	10,13	—12,23	11,27
(*ii*) Rebate etc.	..	..	78	*78	38
Net Receipts	70,34,26	93,90,99	75,04,83	—18,86,16	93,20,30
XVI.—Subsidised Companies—					
Government share of surplus profits etc.	5,05	2,82	2,30	—52	2,37
XVI-A.—Miscellaneous Railway Receipts—					
Miscellaneous receipts	14,70	9,57	2,73,14	+2,63,57	9,91
XVI-B.—Transfer from Railway Revenue Rserve Fund	..	..	..	..	..
Total Receipts	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58

(*a*) Includes 52,81 earnings of worked lines.
(*b*) ,, 56,93 ,, ,, ,,
(*c*) ,, 48,71 ,, ,, ,,
(*d*) ,, 45,74 ,, ,, ,,

2.—Statement of the Expenditure on Railways met form the Revenues of the Central Government.

(In thousands of rupees).

Head of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase(+) Decrease— as compare with Budget 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.	Rs.
15. Indian Government Railways—					
Interest—					
On Government Capital- at Charge	..	..	..	..	..
On Capital contributed by Indian States and Companies	..	..	..	..	..
Total Interest	..	..	..	..	..
15. (C) Subsidised Companies—					
Land	..	..	1,29	+1,29	..
Subsidy	5,46	8,00	14,74	+6,74	6,49
15. (D & E) Miscellaneous Railway Expenditure	2,28,31	2,12,15	2,34,26	+22,11	2,66,64
15. (I) Open Line Works—Revenue	10,42,33	14,90,84	12,26,96	—2,63,88	15,00,00
15. (F) Appropriation to Railway Revenue Reserve Fund from Surplus	..	..	..	..	..
15. (H) Appropriation to Railway Development Fund from Surplus	13,37,98	27,34,00	13,00,27	—14,33,73	21,18,74
15. (J) Appropriation to Railway Depreciation Reserve Fund from Surplus	..	..	..	..	..
15. (K) Dividend to General Revenues	44,39,93	49,58,39	50,02,75	+44,36	54,40,71
Total	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58

3.—Distribution of Railway Surplus 1958-59 and 1959-60.

(In thousands of rupees)

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs,
Surplus	13,37,98	27,34,00	13,00,27	21,18,74
Railway Development Fund	13,37,98	27,34,00	13,00,27	21,18,74
Railway Revenue Reserve Fund . . .	..	..	..	..
Railway Depreciation Reserve Fund . .	..	..	..	..

4.—Statement of the Capital Expenditure of the Central Government on Railways

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase(+) Decrease(–) as compared withBudget, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.	Rs.
Railway Capital not met from Revenue—					
67.—Construction of State Railways-					
Open Line Works—					
Rolling Stock . . .	60,37,72	56,65,64	50,04,90	—6,60,74	55,89,43
Other Works . . .	29,65,71	52,15,06	43,67,15	—8,47,91	43,31,55
New Construction . .	20,07,98	28,31,85	21,81,25	—6,50,60	46,97,87
Suspense	40,23,29	8,91,97	4,52,94	—4,39,03	—12,17,73
Miscellaneous . . .	74,46	2,50,00	82,17	—1,67,83	50,00
Probable Savings . . .	..	—9,70,93	..	+9,70,93	—12,69,78
Total .	151,09,16	138,83,59	120,88,41	—17,95,18	121,81,34
67-C.—Discharge of Debentures .	80,47	..	..	..	..
Total .	151,89,63	138,83,59	120,88,41	—17,95,18	121,81,34

A.—RAILWAY DEPRECIATION RESERVE FUND

(In thousands of rupees).

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60		Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	*†103,12,98	93,72,16	88,89,38	55,24,79	Appropriation from Depreciation Reserve Fund .	63,62,08	69,55,25	81,88,08	66,69,66
Appropriation to Depreciation Reserve Fund .	(*a*) 46,23,00	(*b*) 45,81,44	(*c*) 45,79,06	(*d*) 45,80,56					
Interest on Depreciation Reserve Fund . .	3,15,48	2,77,48	2,44,43	1,58,15	Closing Balance . .	88,89,38	72,75,83	55,24,79	35,93,84
TOTAL . .	152,51,46	142,31,08	137,12,87	102,63,50	TOTAL . .	152,51,46	142,31,08	137,12,87	102,63,50

*Includes 778·57 lakhs (provisional) on account of Indian States Railways taken over form 1-4-1950.

(*a*) Includes 1,23,00 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (106,23) and Integral Coach Factory (1677).

(*b*) Includes 81,44 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (58,00) and Integral Coach Factory (23,44).

(*c*) Includes 79,06 debitable to Worskhop Manufacture Suspense Account, Chittaranjan Locomotive Works (58,00) and Integral Coach Factory (21,06)

(*d*) Includes 80,56 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (58,00) and Integral Coach Factory (22,56).

†Excludes 0·99 lakhs on account of difference between *ad hoc* and revised balance on 15-8-1947.

B.—RAILWAY REVENUE RESERVE FUND

(In thousands of rupees).

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60		Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	(a) 48,07,40	(c) 49,69,75	(c) 48,28,15	(c) 49,37,79	Appropriation from Railway Revenue Reserve Fund	..	..	..	..
Appropriation to Railway Revenue Reserve Fund from Surplus etc. .	..	(f) —47	..	(f) —47					
Interest on Railway Revenue Reserve Fund .	(b) 1,61,09	(d) 1,68,27	†(g) 1,09,64	(h) 1,74,23	Closing Balance . .	(c) 49,68,49	(e) 51,37,55	*(c) 49,37,79	(e) 51,11,55
TOTAL . .	49,68,4	51,37,55	49,37,79	51,11,55	TOTAL . . .	49,68,49	51,37,55	49,37,79	51,11,55

(a) Includes 47·56 lakhs on account of investments in shares of and loans to Branch Line, Companies and 201·10 lakhs (provisional) on account of Indian States Railways taken over from 1-4-50.
(b) Includes 1·29 lakhs on account of interest and dividends etc. on investments.
(c) Includes 47·56 lakhs on account of Investments in shares of and loans to Branch Line Companies.
(d) Includes 1·33 lakhs on account of interest and dividends etc., on investments.
(e) Includes 43·97 lakhs on account of investments in shares of and loans to Branch Line Companies.
(f) Represents loss in cancellation of investments in shares of Kalighat Falta Railway.
(g) Includes 1·58 lakhs on account of interest and dividends etc., on investments.
(h) Includes 1.52 lakhs on account of interest and dividends etc., on investments.
*Excludes 140·34 lakhs on account of proposed notional pro-ratas reduction in pre-partition balances on 15-8-1947.
†Includes refund of interest of 55·00 lakhs to A.G.C.R. on reduction of pre-partition balances.

C.—RAILWAY DEVELOPMENT FUND

(In thousands of rupees).

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60		Accounts 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	(a) 13,74,58	9,86,55	(b) 7,19,41	..	Appropriation from Development Fund	25,53,21	36,70,32	30,21,55	31,49,00
Appropriation to Development Fund from Surplus	13,37,98	27,34,00	13,00,27	21,18,74					
Loans from General Revenues . . .	..	..	10,97,63	10,88,21	Interest on loans . .	..	..	18,93	57,95
Interest on Development Fund . . .	25,77	17,57	(c) —76,83	..	Closing Balance . .	1,85,12	67,80	..	..
TOTAL .	27,38,33	37,38,12	30,40,48	32,06,95	TOTAL . .	27,38,33	37,38,12	30,40,48	32,06,95

(a) Includes 55·63 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.
(b) (i) Excludes 219·81 lakhs on account of proposed national pro-rata reduction in pre-partition balances on 15-8-1947.
(ii) Includes 754·10 lakhs due to proposed transfer of the cost of Deesa-Gandhidham (556·13) and Chunar-Robertsganj (197·97) lines to Capital.
(c) Includes refund of 87·54 lakhs interest to A.G.C.R. on reduction of pre-partition balances *vide* note (b)(i).

SCHEDULE OF DEMANDS FOR GRANTS (RAILWAYS)

Details of voted and charged Amounts in the Demands for Grants (Railways) 1959-60.

Number of Demand	Name of Demand	Amount (In thousands of rupees)	
		Voted	*Charged*
		Rs.	Rs.
1	Railway Board	86,45	..
2	Miscellaneous Expenditure	1,78,45	*3,00*
3	Payments to Worked Lines and Others	19,77	..
4	Working Expenses—Administration	35,47,21	..
5	Working Expenses—Repairs & Maintenance	109,89,34	..
6	Working Expenses—Operating Staff	66,27,11	..
7	Working Expenses—Operation (Fuel)	62,44,52	..
8	Working Expenses—Operation other than Staff and Fuel	20,55,79	*66,94*
9	Working Expenses—Miscellaneous Expenses	26,01,12	*3,75*
10	Working Expenses—Labour Welfare	9,24,35	..
11	Working Expenses—Appropriation to Depreciation Reserve Fund	45,00,00	..
12	Dividend payable to General Revenues	54,40,71	..
13	Open Line Works (Revenue)—Labour Welfare	1,31,83	..
14	Open Line Works (Revenue)—Other than Labour Welfare	13,70,53	..
15	Construction of New Lines	45,09,38	..
16	Open Line Works—Additions	372,30,95	..
17	Open Line Works—Replacements	99,49,52	..
18	Open Line Works—Development Fund	31,49,00	..
19	Miscellaneous Charges-Development Fund	57,95	..
20	Appropriation to Development Fund	21,18,74	..
21	Appropriation to Revenue Reserve Fund	..	..
22	Withdrawal from Revenue Reserve Fund	..	..
	TOTAL	1,017,32,81	*73,69*

Bill No. 20 of 1959

THE APPROPRIATION (RAILWAYS) BILL, 1959

(As introduced in Lok Sabha)

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1959-60 for the purposes of Railways.

Be it enacted by Parliament in the Tenth Year of the Republic of India as follows:

1. Short title.—This Act may be called the Appropriation (Railways) Act, 1959.

2. Issue of Rs. 1,018,06,50,000 out of the Consolidated Fund of India for the financial year 1959-60.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand and eighteen crores, six lakhs and fifty thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1959-60, in respect of the services relating to Railways specified in column 2 of the Schedule.

3. Appropriation.—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	86,54,000	..	86,54,000
2	Miscellaneous Expenditure	1,78,45,000	*3,00,000*	1,81,45,000
3	Payments to Worked Lines and Others	19,77,000	..	19,77,000
4	Working Expenses—Administration	35,47,21,000	..	35,47,21,000
5	Working Expenses—Repairs and Maintenance	109,89,34,000	..	109,89,34,000
6	Working Expenses—Operating Staff	66,27,11,000	..	66,27,11,000
7	Working Expenses—Operation (Fuel)	62,44,52,000	..	62,44,52,000
8	Working Expenses—Operation other than Staff and Fuel	20,55,79,000	*66,94,000*	21,22,73,000
9	Working Expenses—Miscellaneous Expenses	26,01,12,000	*3,75,000*	26,04,87,000
10	Working Expenses—Labour Welfare	9,24,35,000	..	9,24,35,000
11	Working Expenses—Appropriation to Depreciation Reserve Fund	45,00,00,000	..	45,00,00,000
12	Dividend payable to General Revenues	54,40,71,000	..	54,40,71,000
13	Open Line Works (Revenue)—Labour Welfare	1,31,83,000	..	1,31,83,000
14	Open Line Works (Revenue)—Other than Labour Welfare	13,70,53,000	..	13,70,53,000
15	Construction of New Lines	45,09,38,000	..	45,09,38,000
16	Open Line Works—Additions	372,30,95,000	..	372,30,95,000
17	Open Line Works—Replacements	99,49,52,000	..	99,49,52,000
18	Open Line Works—Development Fund	31,49,00,000	..	31,49,00,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
19	Miscellaneous Charges—Development Fund	57,95,000	..	57,95,000
20	Appropriation to Development Fund	21,18,74,000	..	21,18,74,000
	TOTAL	1,017,32,81,000	70,69,000	1,018,06,50,000

STATEMENT OF OBJECTS AND REASONS

This Bill is introduced in pursuance of article 114(1) of the Constitution of India, to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made by Lok Sabha in respect of the estimated expenditure of the Central Government on Railways, for the financial year 1959-60.

New Delhi;

JAGJIVAN RAM.

The 5th March, 1959.

LOK SABHA

A

BILL

to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1959-60 for the purposes of Railways.

The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(Shri Jagjivan Ram,
Minister of Railways.)

THE APPROPRIATION (RAILWAYS) ACT, 1959

No. 5 of 1959

(*14th March, 1959*)

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1959-60 for the purposes of Railways.

Be it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. Short title.—This Act may be called the Appropriation (Railways) Act, 1959.

2. Issue of Rs. 1,018,06,50,000 out of the Consolidated Fund of India for the financial year 1959-60.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand and eighteen crores, six lakhs and fifty thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1959-60, in respect of the services relating to Railways specified in column 2 of the Schedule.

3. Appropriation.—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	86,54,000	..	86,54,000
2	Miscellaneous Expenditure	1,78,45,000	*3,00,000*	1,81,45,000
3	Payments to Worked Lines and others	19,77,000	..	19,77,000
4	Working Expenses—Administration	35,47,21,000	..	35,47,21,000
5	Working Expenses—Repairs and Maintenance	109,89,34,000	..	109,89,34,000
6	Working Expenses—Operating Staff	66,27,11,000	..	66,27,11,000
7	Working Expenses—Operation (Fuel)	62,44,52,000	..	62,44,52,000
8	Working Expenses—Operation other than Staff and Fuel	20,55,79,000	*66,94,000*	21,22,73,000
9	Working Expenses—Miscellaneous Expenses	26,01,12,000	*3,75,000*	26,04,87,000
10	Working Expenses—Labour Welfare	9,24,35,000	..	9,24,35,000
11	Working Expenses—Appropriation to Depreciation Reserve Fund	45,00,00,000	..	45,00,00,000
12	Dividend Payable to General Revenues	54,40,71,000	..	54,40,71,000
13	Open Line Works (Revenue)—Labour Welfare	1,31,83,000	..	1,31,83,000
14	Open Line Works (Revenue)—Other than Labour Welfare	13,70,53,000	..	13,70,53,000
15	Construction of New Lines	45,09,38,000	..	45,09,38,000
16	Open Line Works—Additions	372,30,95,000	..	372,30,95,000
17	Open Line Works—Replacements	99,49,52,000	..	99,49,52,000
18	Open Line Works—Development Fund	31,49,00,000	..	31,49,00,000
19	Miscellaneous Charges—Development Fund	57,95,000	..	57,95,000
20	Appropriation to Development Fund	21,18,74,000	..	21,18,74,000
	TOTAL	1,017,32,81,000	*73,69,000*	1,018,06,50,000

Budget, 1959-60

Finance Minister's Speech

28th February, 1959.

Sir,

I rise to present the statement of the estimated receipts and expenditure of the Government of India for the year 1959-60.

2. A detailed review of the major developments in the economy during the year now drawing to a close and an assessment of the emerging trends is given in the Economic Survey which is being circulated along with the budget papers. I shall confine myself to a brief review of the economic situation and draw the attention of the House to those important aspects of the situation that merit special attention.

3. The drop in agricultural production last year, which was the lowest in record since 1953-54, affected the availability of foodgrains and other agricultural products during the current year. The rate of growth of industrial production also slowed down while prices showed an upward trend through a major part of the year. There was continuing pressure on the balance of payments in the first half of the year. The situation has eased somewhat in recent months. The kharif crop has been good and the prospects of the rabi appear to be fair. There has been some fall in prices and the decline in foreign exchange reserves has been halted; indeed there have been small accretions to these reserves in recent weeks but the overall shortage still remains. The requirements of foreign exchange for the remaining period of the Plan are sizeable and the current account in the balance of payments is likely to show continuing deficits. On the whole the economic situation is somewhat better than it was a few months ago; we are sensing the effect of the various corrective measures we have taken.

Production

4. Agricultural production this year is, as I have just said, expected to be distinctly better both in regard to foodcrops and commercial crops. Industrial production also increased during the year but at a somewhat lower rate than in 1957. In some industries such as cotton textiles, finished steel, automobiles, power transformers and vanaspati, there was, however, a decline in output. The production of mill cloth, in particular, showed a sharp drop, the output declining from 5,317 million yards in 1957 to 4,900 million yards in 1958. Some industries have been handicapped by restrictions arising out of the current shortage of foreign exchange. On the other hand, there have been significant increases in production in a wide range of industries such as coal, pig iron, diesel engines, electricity, machine tools, newsprint and a number of chemical and engineering industries. These increases have been made possible partly by the better utilisation of existing capacity and partly by increases in capacity resulting from the expansion programme undertaken earlier. Among the industries whose capacity increased in 1958 may be

mentioned cement, caustic soda, sulphuric acid, super phosphates, oxygen gas and refractories. In the public sector the steel programme is proceeding more or less according to schedule. A significant step was taken during the year in the manufacture of heavy machinery in the country by the formation of the Heavy Engineering Corporation which will set up a heavy foundry, a forge, a heavy machine building shop and a factory for the manufacture of mining machinery. Construction of the plant at Bhopal for the manufacture of heavy electrical goods is also proceeding apace.

Monetary Trends

5. A significant feature in the monetary situation during the year was the decline in the rate of increase in the money supply. The expansionary impact of Government transactions on the economy was mitigated by the contractionist effect of a decline in the foreign exchange reserves and a fall in the indebtedness of the private sector to the banking system. While in 1956 the increase in the money supply was Rs. 131·5 crores and in 1957 Rs. 96·3 crores, it dropped to Rs. 74·9 crores in 1958. Deposits with the banks continued to increase but the expansion of bank credit has been relatively smaller. Banks have, therefore, been able to reduce their credit deposit ratio from 62·7 per cent at the end of 1957 to 55 per cent at the end of 1958. Borrowings of scheduled banks from the Reserve Bank have gone down while there has been substantial increase in the holding of Government securities by the banking system. Easy conditions prevailed in the money market until almost the end of 1958 when the onset of the busy season led to a hardening of interest rates.

6. The stock markets have shown a marked improvement as compared with the previous year. The index of variable dividend industrial securities rose from 120 at the end of 1957 to 145 by the end of September 1958. There has been some decline since then but, over the year as a whole, it has registered an improvement of about 14 per cent. Prices of securities have remained fairly firm despite large borrowings both by the Centre and the States.

Prices

7. The index of wholesale prices has risen from about 106 a year ago to 112 or so, the peak level of 116·5 having been reached last September. This rise in the wholesale index largely reflects the increase in the prices of foodgrains consequent on the shortfall in production. The index of prices of cereals rose from 98 in December, 1957 to 105 in December 1958 and the food articles from 104 to 113 over the same period. The other components of the wholesale price index, such as industrial raw materials and manufactures, have remained practically steady. The working class cost of living index (all India) rose from 113 in December 1957 to 122 in November 1958 but declined to 119 in the following month with food items coming down. The price indices in the current year are, to some extent, distorted by the rise in food prices due largely to the poor crop of the previous year.

Balance of Payments

8. I shall now give a brief account of the balance of payments position of the country and of the steps taken to ease the difficulties which we have been facing since the beginning of the Second Plan. It is not necessary for me to give more than a factual account of the recent developments because this problem which has been engaging the continuous

attention of Government has been considered by Parliament more than once in some detail. From almost the commencement of the Second Plan, we have been drawing rather heavily on our reserves and between April 1956 and February 1959 they dropped by Rs. 535 crores, from Rs. 746 crores to Rs. 211 crores, despite substantial foreign assistance and drawals from the International Monetary Fund. The reasons for this are well known. The decline was very largely due to larger imports in the main, of plant, machinery and industrial raw materials for development, though imports of foodgrains and Defence equipment and the decline in export earnings also contributed to it. A number of measures were taken to cut down foreign expenditure to the minimum necessary to maintain the economy and implement the projects in the 'core' of the Plan and to promote exports under difficult trading conditions in the world as a whole. As a result of these measures and the arrangements made to obtain credits and loans from friendly foreign countries and the World Bank, the rate of drawals from the reserves declined appreciably from the third quarter of 1957-58. The average monthly drawal was Rs. 23·3 crores in 1956-57 and Rs. 34·7 crores during the first half of 1957-58; in the following six months the rate of drawal dropped to Rs. 14·2 crores a month. There has been a further improvement since then. During the first six months of the current financial year the reserves have fallen at a monthly rate of Rs. 13·9 crores. In the third quarter there has been a slight increase in the balances. Ignoring fluctuations our reserves have more or less maintained their level in the last six months.

9. The year 1957-58 ended with a current account balance of payments deficit of Rs. 451 crores. The payments deficit during each of the 4 quarters of the year was Rs. 150 crores, Rs. 148 crores, Rs. 72 crores and Rs. 81 crores, respectively. Imports during the year reached a record level of Rs. 1,175 crores, showing an increase of Rs. 79 crores over the previous year. This increase in imports, despite the efforts to conserve foreign exchange, partly reflects the heavy backlog of past commitments which came in for payment during the year and partly the massive import required for implementing the core of the Plan. The year witnessed larger imports on Government account, which rose from Rs. 201·5 crores in 1956-57 to Rs. 492·8 crores in 1957-58. Private imports during the year declined by Rs. 122·3 crores to Rs. 682 crores as a result of the strict import control measures adopted since the beginning of 1957. Total exports during the year amounted to Rs. 594·5 crores, about Rs. 40 crores less than in 1956-57. A general weakening of foreign demand and a fall in the prices of primary commodities in foreign countries account for this decline.

10. The adverse trend in the country's balance of payments has continued in 1958-59. During the first two quarters of the year the payments deficit on current account was of the order of Rs. 120 crores and Rs. 91 crores respectively. As against a total deficit of Rs. 210·8 crores on current account during the first half of 1958-59, the foreign exchange reserves fell by Rs. 86·3 crores; the balance was made up by foreign loans and credits and other capital transactions.

11. In recent months the Sterling Area, of which India is a member has grown further in strength and its gold and dollar reserves rose to $3215 million at the end of November, 1958—the highest level attained since September, 1951. During December, 1958 the reserve declined by

$146 million to 3069 million but this was due to the payment of $196 million on account of end year service on the U.S. and Canadian loans, but for which there would have been a small rise in the reserve. As the House is aware, some of the West European countries, including the United Kingdom, announced further relaxations of restrictions on convertibility of their currencies with effect from December 29. 1958. From that date sterling held or acquired by non-residents of the Sterling Area has become freely transferable at the official rate of exchange. Honourable Members will recall that, at the Commonwealth Trade and Economic Conference held at Montreal in September, we, in common with other participating countries, had affirmed that it remained our objective to work for full sterling convertibility as soon as the necessary conditions can be achieved.

Foreign Assistance

12. In the statement I made in this House on November 19, 1958, I had referred to the conference convened by the World Bank in August. 1958 to discuss India's foreign exchange situation and the manner in which India could be helped. Following the conference, the participating countries and the World Bank announced their intention to provide further assistance to India totalling $360 million (Rs. 171·4 crores) during the current financial year. Canada would give a grant equivalent to seventeen million dollars, West Germany a loan equivalent to forty million dollars, Japan a loan equivalent to ten million dollars, the United Kingdom an advance payment under the pension settlement of ten million pounds and a loan of £28·5 millions, the United States a loan of $100 million from the Development Loan Fund and the World Bank a loan of $85 million for the Railways. The procedure for operating the above loans and grant have since been settled and agreements signed with the countries concerned where necessary.

13. During the current financial year, the World Bank sanctioned four loans aggregating $153 million (Rs. 72·9 crores) for the development of the Calcutta Port, the Madras Port, the third D. V. C. Project and the third Railway Development Programme. The World Bank has played a most helpful role both by sanctioning loans for individual development projects and by mobilising a cooperative effort by some of its member-countries to help us meet our essential foreign exchange requirements. The Bank proposes to convene another similar conference next month to explore how India could be helped in meeting her foreign exchange requirements for the next two years of the Plan. It is expected that negotiations with the World Bank for further loans for the Koyna Project and the Railway development programme will take place in the near future.

14. An important outcome of the last annual meeting of the Boards of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development was the decision to increase the resources of these institutions. A general fifty per cent increase in the quotas of members of the Fund has been made with special ad hoc increases in the quotas of some of the members whose currencies it will be advantageous for the Fund to hold in larger amounts. Our quota in the Fund will be raised from $400 million to $600 million. We have to pay a fourth of this increase in the form of gold and the balance in rupee securities and necessary provision is being made in the budget for this purpose. So far as the World Bank is concerned, it is raising its capital

stock by $10 billion and its authorised capital by $1 billion. Our subscription will be raised from $400 million to $800 million, but this will not involve any payment on our part as the general increase in members' subscription is to remain 'uncalled', the object of the increase in capital stock being only to enhance the borrowing power of the Bank.

15. I referred earlier to the assistance provided by the countries which participated in the conference sponsored by the World Bank last August. In addition to this assistance we have also received in the current year financial and technical assistance from the United States, Colombo Plan countries and the Ford and Rockefeller Foundations. Two agreements were signed this year with the United States Government under the P. L. 480 programme for the import of foodgrains valued at about Rs. 140 crores. This will raise the total amount of supplies under this programme to us to about Rs. 313 crores, of which Rs. 183 crores will be made available to us as loans and Rs. 43 crores as grants, for expenditure on mutually agreed development projects. The United States Government have also agreed to defer the payments due to them on the 1951 wheat loan for the next nine years giving us a relief of $7 million a year and to give a loan of $20 million for the integrated project for export of iron ore to Japan, for which the Japanese Government will provide a yen loan of $8 million for the development of iron ore mines. Assistance has also been provided for the purchase of fertilisers and tube well equipment abroad and for the eradication of malaria, aggregating in all to $14·2 million. Canada has made a special grant of wheat worth $8 million and sanctioned two loans amounting to $33 million for the purchase of wheat. Australia and New Zealand have also continued their assistance.

16. Other friendly countries have also continued to help. Negotiations are in progress with the U.S.S.R. who are already assisting us for the Bhilai steel plant and for certain other industrial projects, for a credit for establishing a new project for drugs. An agreement has been entered into with the Government of Rumania who will provide machinery and technical skill costing about Rs. 5·2 crores on deferred payment for an oil refinery to be set up in Assam. The Government of Czechoslovakia have also signed an agreement for establishing a forge foundry costing about Rs. 8·5 crores.

17. I should like to express the gratitude of the Government of India to all the countries and institutions which have given us economic assistance so valuable and timely for our development.

18. We on our part have also continued our contribution of technical aid under the Colombo Plan. Up to September 1958, we had arranged for the training of 1086 persons from the South and South East Asia Region. We made available seven experts this year to Burma, Ceylon and Viet Nam. We have continued to assist Nepal and the expenditure incurred by us on development schemes to assist Nepal and the provision of technical personnel to that country is expected to be Rs. 1·38 crores this year.

Changes in the Budget

19. Before I deal with the estimates of revenue and expenditure, I would like to mention certain changes which have been made in the budget documents presented to the House. For some years it has been the practice to present the Demands of Defence Services and the Posts

and Telegraphs Department in separate self-contained publications. The question of extending this arrangement to other Ministries has been under consideration for some time and, more recently, the Estimates Committee also suggested that the estimates relating to individual Ministries should be presented in self-contained volumes. This suggestion has been accepted and the Demands for Grants for the budget year are being presented by individual Ministries to Parliament. Along with the Demands for Grants, the notes on the expenditure estimates and on the important schemes under the control of each Ministry will also appear together with the accounts and balance sheets of industrial undertakings. The Explanatory Memorandum on the Budget will now be confined to a general review of the revenue and expenditure estimates and the Capital Budget and will contain various annexures of general and financial interest dealing with the budget as a whole. Opportunity has also been taken to transfer to the Economic Survey, presented along with the Budget, data and statistics of economic interest which used to appear in the Explanatory Memorandum. I am sure the House will welcome the revised arrangement which, for the first time in the history of Government, will bring together for each Ministry the estimates relating to it and will facilitate the disposal of these estimates by the House. We are also giving, for the first time, the estimates relating to Plan expenditure separately from the estimates on non-Plan items in the Demands for Grants. This segregation of Plan expenditure in the Accounts and Estimates will, I feel, make for a more efficient control of expenditure on the Plan. While making these changes, care has been taken to see that, as far as possible, the material now available to Parliament in the Hindi version of the Budget, is not curtailed in any way.

Financial Year 1958-59

20. Against the budgetted revenue of Rs. 767·99 crores the actuals this year are likely to amount to Rs. 728·20 crores while the expenditure met from revenue is placed at Rs. 788·15 crores against the original estimate of Rs. 796·01 crores. In the result, the deficit of Rs. 28·02 crores provided in the Budget is likely to rise to Rs. 59·95 crores.

21. The increase of Rs. 31·93 crores in the revenue deficit for the year is entirely due to a fall in the anticipated revenue, mostly in the revenue from Customs. The total revenue for the year is now expected to fall by Rs. 39·22 crores. Customs duties are expected to show a drop of Rs. 34 crores; the effect of restrictions on imports on revenue appears to have been far more rigorous and the backlog from past licensing not as much as was originally anticipated. Also, during the year adjustments were made in export duties on a scale not visualised when the Budget was framed. The revenue from Union Excises is now placed at Rs. 3·61 crores less while the yield from the Wealth Tax, the Expenditure Tax and the Gift Tax will, together, be Rs. 5·3 crores less than anticipated. A drop of Rs. 13 crores is anticipated in the grants from the U.S. Government under the P. L. 480 programme and of Rs. 1·86 crores in the receipts from Currency and Mint, but these will be more than off set by larger receipts of interest, sale proceeds of evacuee property and an increase of Rs. 3·04 crores in the contribution from the Posts and Telegraphs Department.

22. Civil Expenditure this year is now estimated at Rs. 521·28 crores against the original budget of Rs. 517·87 crores and Defence Expenditure at Rs. 266·87 crores against the original estimate of Rs. 278·14 crores.

23. The increase of Rs. 3·41 crores in Civil Expenditure is the net result of a number of increases and decreases. Debt Services are expected to show an increase of Rs. 2·06 crores, reflecting the growing volume of the public debt, Currency and Mint Rs. 64 lakhs owing to increased provision for the loss on the destruction of uncurrent coin, States' share of Union Excise duties Rs. 4·02 crores, reflecting the increase in the revenue from the shared duties during the year and a small carry over from last year, and Miscellaneous Expenditure Rs. 11·34 crores due mostly to an increase of Rs. 6 crores in payments to State Governments to assist them to meet the additional expenditure on the raising of the emoluments of the low paid employees and Rs. 4·27 crores in the provision for the transfer of the sale proceeds of evacuee property which is taken in reduction of the capital expenditure on the payment of compensation to displaced persons. A part of the additional expenditure will be counterbalanced by a saving of Rs. 13 crores in the provision for the transfer to the Special Development Fund of the grant received under the P. L. 480 programme for subsequent use on development plans; and a shortfall of Rs. 2·73 crores in expenditure under various heads grouped under Civil Administration.

24. The decrease of Rs. 11·27 crores in Defence Expenditure occurs largely in the Army and Air Force estimates. The expenditure on the purchase of stores is likely to be less than estimated; in the case of the Air Force, the decrease is also due to the fact that payments on account of purchase of aircraft and other equipment from abroad are expected to be less than was anticipated when the budget was framed.

Financial Year 1959-60

25. For the coming year, at the existing level of taxation, I am budgeting for a total revenue of Rs 757·51 crores and an expenditure of Rs. 839·18 crores, leaving a deficit of Rs. 81·67 crores.

26. With the continuing restriction on imports the downward trend in the revenue from customs is likely to continue and for next year I am taking credit for a sum of Rs. 130 crores against the current year's revised estimate of Rs. 136 crores. The revenue from Union Excise Duties next year is likely to show an improvement of Rs. 5·85 crores and the receipts from Corporation tax, and Income-tax an improvement of Rs. 6·50 crores. Under the other principal heads of revenue, the receipts next year will be more or less the same as in the current year. The principal heads as a whole will thus show an improvement of Rs. 7·2 crores. Receipts under other heads next year will in all be Rs. 25·26 crores more than in the current year. This is the result of three major changes. Firstly, the grants under the P. L. 480 Programme are expected to amount to Rs. 15 crores against Rs. 1 crore this year. Secondly, the profits from the Reserve Bank next year have been placed at Rs. 40 crores against Rs. 30 crores this year. This is a purely temporary arrangement; the stabilised amount that should be paid by the Reserve Bank in subsequent years will be discussed during the course of next year. Thirdly, the profits from the circulation of coin for which credit has been taken next year amount to Rs. 13·15 crores against Rs. 2·75 crores this year. This increase is mainly due to the transfer of Rs. 10 crores from out of the accumulated surpluses in the past on the circulation of rupee and small coins which had been kept under suspense. Till 1956 the practice had been to keep all profits from the circulation of rupee coin, whether silver or nickel, in suspense and also to accumulate

under a suspense head the net profits on the circulation of small coin, the transfer to revenue being limited to the net expenditure in a year on the running of the Mints plus a fixed sum of Rs. 45 lakhs. This later arrangement was introduced during the last World War so as to even out the impact of the fluctuating profits on circulation on the revenue budget. These accounting arrangements were reviewed in 1956 in consultation with the Comptroller and Auditor General and it was decided that, with effect from 1956-57, the actual profits on coinage and the loss on the destruction of uncurrent coin should be adjusted directly as revenue and expenditure. The accumulated sums held in suspense which amounted to a little over Rs. 50 crores were to be treated as a deficit neutralisation reserve and, although the original intention was to draw upon this reserve in the course of the year, I have decided, in view of the size of the revenue deficit, to take credit for Rs. 10 crores from this source in the budget itself. These increases will be partly balanced by a drop of Rs. 4·41 crores in the receipts from the surplus cement account of the State Trading Corporation and Rs. 3·31 crores in the receipts on account of Steel Equalisation Fund. The contribution from the P and T Department will be Rs. 1·18 crores less. The contribution from the Railways creditable to revenues will also be Rs. 42 lakhs less. As Hon'ble Members are aware, the Railways pay General Revenues dividend at a fixed rate of 4 per cent. on the Capital at charge, which is partly adjusted as revenue but mostly taken in reduction of expenditure under interest. Next year's dividend from Railways will amount to Rs. 54·41 crores against Rs. 50·03 crores this year. Of this, Rs. 48·43 crores will be taken in reduction of the expenditure under interest and the balance of Rs. 5·98 crores taken as revenue.

27. Payments to State Governments on account of their share of income-tax, estate duty and tax on railway passenger fares next year, on the estimates of revenue taken for these taxes, will amount to Rs. 92·22 crores against Rs. 89·07 crores in the current year. Provision for the States' share of divisible excises is made in the expenditure estimates.

28. Civil expenditure next year will amount to Rs. 596·5 crores and expenditure on Defence Services to Rs. 242·68 crores.

29. The main reasons for the increase of Rs. 75·22 crores in civil expenditure may be briefly mentioned. The grants received under the P. L. 480 programme and initially credited to revenue have to be transferred to the Special Development Fund and used through it for subsequent expenditure. The provision for this transfer next year, following the estimates adopted on the revenue side, is Rs. 15 crores against Rs. 1 crore in the revised estimates this year. Expenditure on debt services which rise with the growing public debt, will absorb Rs. 15·82 crores more than in the current year. Expenditure on administrative services, such as on General Administration, Audit, Administration of Justice, Jails, Police, External Affairs and so on, is likely to amount to about Rs. 2½ crores more in all. Under heads covering Development and Social Services, which include substantial provision on Plan outlay, the total expenditure next year is estimated at Rs. 168 crores roundly against Rs. 145¾ crores this year. The provision for Community Development will also be Rs. 6·17 crores more than in this year. Increased provision has also been included in the budget for grants to States for the welfare of Scheduled Tribes and areas and Backward classes amounting in all to about Rs. 5½ crores. These increased provisions mainly account for the

rise in Civil Expenditure. Detailed explanations for other minor variations are given in the notes on the expenditure estimates circulated with the Demands for Grants.

30. The net expenditure on Defence Services in the coming year will be Rs. 24·19 crores less than in the current year. This improvement is the result of a reduction in the gross expenditure by Rs. 19·55 crores and an increase in receipts and recoveries of Rs. 4·64 crores.

31. The expenditure on the Army will be roughly on the same scale as in the current year, but credit has been taken for a special item of Rs. 5 crores on the receipt side. A sum of Rs. 14·56 crores representing the custodial charges recovered on Defence surplus Stores borne on capital has been lying in suspense. This sum which is actually of the nature of reimbursement of expenditure incurred from revenue is properly creditable to revenue and not to capital. It has been decided to write it back to revenue in three instalments, commencing with the budget for next year and a round sum of Rs. 5 crores has been taken on this account.

32. Navy estimates show a small increase of Rs. 1·34 crores for normal development. The real saving occurs in Air Force estimates which show a drop of Rs. 23·84 crores due to reduced provision for payment on account of the purchase of aircraft spares and other equipment, as a substantial portion of the payments for this purpose would have been made in the current year. Expenditure on service pensions will be Rs. 2 crores higher as it is proposed to sanction to military personnel drawing small pensions an increase on the analogy of that sanctioned to civil pensioners this year.

Capital Expenditure

33. I shall now give a brief account of provision included in the budget for capital outlay.

34. Excluding the adjustment for the transfer of capital assistance from the United States to the Special Development Fund which is technically treated as capital expenditure, the current year's budget provided Rs. 412 crores for capital outlay. The corresponding figure is now expected to amount to Rs. 395 crores. The Railways are expected to draw Rs. 18 crores less for their capital requirements which are not met from their Development and Depreciation Reserves. Investment in the three Steel projects will be Rs. 14 crores less as the total equity investment of Rs. 300 crores in Hindustan Steel Limited would have been complete with this reduced investment; the balance of the finance required by the Company will be provided in the form of loans. Food purchases are likely to involve a net additional outlay of Rs. 24·26 crores. The total capital outlay would have been higher than the figure mentioned by me but for the receipt of an additional sum of Rs. 13·33 crores (£10 million) from the U.K. Government as advance payments under the Sterling Pensions Arrangement.

35. The corresponding provision for capital outlay next year is Rs. 420 crores. It includes a sum of Rs. 95·24 crores for the payment of the additional subscription to the International Monetary Fund which I explained in some detail earlier in my speech. The Railways will be drawing Rs. 122 crores next year against Rs. 121 crores this year while Defence capital outlay is estimated at Rs. 32·74 crores, an increase of

about Rs. 5 crores over the current year. Capital outlay on Posts & Telegraphs is expected to be Rs. 4¼ crores more and the net capital outlay on food purchases may be Rs. 2 crores higher. Increased provision has been made for investment in the various industrial concerns and for Civil Aviation, Civil Works, the Dandakaranya Project and development grants. The total provision which is mostly for development schemes or for inescapable expenditure would have been much higher but for the fact that, as explained earlier, the entire requirements for the steel plants will be met by loans.

36. To complete the picture of the capital requirements of Government, mention should be made of the provision for loans and advances. In the coming year, loans to State Governments, mostly for enabling them to finance their development schemes, will amount to Rs. 313 crores against Rs. 327 crores this year. In addition, loans to Port Trusts, Statutory Corporations, Government companies, etc., will absorb Rs. 123 crores this year and Rs. 212 crores next year. Provision has been made for the grant of a loan of Rs. 52 crores to Hindustan Steel this year and Rs. 122 crores next year. The Railways will also take a loan of Rs. 10·98 crores this year and Rs. 10·88 crores next year for their Development Fund to be repaid later. Details of the various loans proposed to be given are shown in the Explanatory Memorandum.

37. The House may like to have some idea of the total provision included in the budget for the implementation of the Plan and the magnitude of the total Plan outlay next year. The budget includes a total provision of Rs. 843 crores for implementing the Plan, Rs. 150 crores in the revenue budget and Rs. 693 crores in the capital budget. Out of this, Rs. 63 crores from the revenue budget and Rs. 195 crores from the capital budget will be given as assistance to the States. In addition, the Railways will be spending Rs. 39 crores from their own resources and the States Rs. 239 crores. Thus, the total Plan outlay, including interest on loans on River Valley Projects which are added to Capital during the period of construction and short-term loans, will amount to Rs. 1,121 crores.

38. As Hon'ble Members are aware, in view of the strain on resources, internal and external, it has been decided to limit the five year outlay on the Plan to Rs. 4,500 crores. The estimated extenditure in the first three years of the Plan is about Rs. 2,450 crores, leaving a balance of Rs. 2,050 crores to be incurred in the next two years. The budget provision at the Centre and in the States is, as I explained just now, of the order of Rs. 1,120 crores. The resources position for the next two years will continue to remain difficult and a considerable further effort to augment the resources available for development will be necessary. With all the effort we have made, the proportion of the national income accruing to the public exchequer still remains small. While with the substantial external assistance we have been receiving the bulk of the Second Plan will go through, we have to remember that we shall have sizeable repayments to make in the period of the Third Plan. This underlines the necessity for a determined effort to increase production and savings.

39. Thinking has already started on the Third Plan. It is obvious that the objective should be to accelerate as much as possible the tempo of development the country would have reached by the end of the Second Plan. It is, in my view, premature to speculate on the size of the Plan;

questions regarding the overall size, the allocations, methods of raising resources, the quantum of external assistance required and likely to become available are interlinked and are all under study. But it is clear that we should explore every avenue to ensure that the Third Plan does take us decisively forward and not keep the country at the level of development it has reached. We have to aim at creating within the economy conditions which will make the process of growth continuous and self-supporting.

Ways and Means

40. The overall deficit for the current year is now estimated at Rs. 255 crores against Rs. 200 crores assumed in the budget. The increase of Rs. 55 crores is the result of a number of factors. The Revenue deficit is now expected to be Rs. 32 crores more than was estimated at the time of the budget, reasons for which I have given in the earlier part of my speech. Foreign loan assistance, for a variety of reasons, is actually likely to be Rs. 46 crores less than the amount for which credit had been taken. We had to give to the States additional loans amounting in all to Rs. 42 crores, mainly arrears of loans promised to them, and Rs. 52 crores to Hindustan Steel. Food debits are also expected to be higher by Rs. 24 crores than the sum provided in the budget. The total increase of Rs. 196 crores on these accounts will, however, be partly counterbalanced by some savings in the loan provision for miscellaneous loans, increased receipts from internal borrowing and by probable shortfalls in expenditure spread over a large number of heads. In the result, the net deficit to be covered by the expansion of Treasury Bills is likely to amount to Rs. 255 crores.

41. Public borrowing in the current year has been far more satisfactory than in the last two or three years. The budget had assumed a market loan of Rs. 145 crores but the actual loan receipts amounted to Rs. 202 crores. During the year three new loans were floated, the 3½ per cent. Bonds 1963, the 3¾ per cent. National Plan Bonds (Fifth Series) 1968 and the 4 per cent. Loan 1973, the maturities offered having a sufficient spread for meeting the varying requirements of the market. The total amount offered for all the three loans was Rs. 135 crores but the subscriptions accepted amounted to Rs. 142 crores. The market demand for investment, however, continued and in August, 1958 we issued a new 3½ per cent. Loan 1968 for Rs. 30 crores and created a further issue of the 3½ per cent. National Plan Bonds 1967 for another Rs. 30 crores. These securities were, in accordance with the usual practice, issued to the Reserve Bank to be sold by them to the market. The net receipts from regular loans this year will be Rs. 181 crores against the original estimate of Rs. 125 crores.

42. There was a welcome revival in the market demand for short-term investment through treasury bills. In July last, the Reserve Bank of India renewed the weekly auctions of treasury bills after a lapse of over two years. They also revived the practice of selling intermediate treasury bills to the market, an operation which had been in abeyance for over fifteen years. It is expected that the total outstanding treasury bills with the public at the end of the current year would amount to Rs. 25 crores.

43. Under Small Savings, the Budget had taken credit for a net receipt of Rs. 100 crores. This has turned out to be over-optimistic and, although there has been an improvement in the collections this year as compared

with the previous year, the net collections are not likely to be anywhere near the figure taken in the Budget. The net collections from Small Savings have been steadily rising from a figure of Rs. 37·57 crores in 1951-52 to a figure of Rs. 69·6 crores in 1957-58. In the first ten months of the current year, the net collections have amounted to Rs. 47 crores against a little under Rs. 38 crores in the corresponding period of the previous year. In the last two months of that year, the collections were somewhat exceptional owing to the special drives undertaken by some of the State Governments. After allowing for this and on the trend of actuals this year, I do not think it wise to take credit for more than Rs. 75 crores for this year. Postal Savings Banks are still not doing as well as in the past, but there has been an improvement in the sales of National Plan Savings Certificates and Treasury Savings Deposit Certificates.

44. While on this subject, I should like briefly to mention the various steps taken during the course of this year for intensification of the savings movement. To revive the popularity of the postal savings banks, facilities for withdrawal by cheques which were tried out as an experiment in Bombay are being extended to a large number of post offices at a number of big towns, the intention being to provide the facility in all post offices as early as possible. It has been decided to allow sales of Treasury Savings Deposit Certificates through agents on a commission basis. The National Savings Certificates Rules have been rationalised and re-issued and a concentrated drive for the recruitment of more authorised agents and the formation of more savings groups undertaken. Publicity has been largely decentralised in consultation with the State Governments who will now be in charge of this work in the States except, to a limited extent, where it has been found desirable to retain the work with the Centre. Publicity will now be largely in the regional languages at the State level and this should assist in the further development of the movement. The question of replacing the multiple agency system which has grown up with years by a uniform system is also under consideration. Government have accepted the principle of allowing investors in small savings to nominate the persons to whom the investment should be repaid on the lines of the assignments made of insurance policies and the necessary legislation to permit this will be undertaken shortly. The progressive diversification of investment has been taken a step further by the introduction, with effect from the 2nd January this year, of the Cumulative Time Deposit Scheme under which small monthly payments can be accumulated at post offices for periods of five or ten years at attractive rates of interest.

45. The National Savings Organisation has been keeping in close touch with the State Governments in developing the savings movement. The State Governments' interest in the movement has been further emphasised by a modification in the arrangement for the sharing of the net receipts with them. When the States' share was raised to two-thirds, a condition was laid down that, in any year in which a State Government floated a market loan, it should surrender to the Centre one-third of the loan proceeds. This condition has now been withdrawn so that the States now receive two-thirds of the net receipts from small savings while retaining the whole of their market borrowing.

46. For next year's Budget, I have taken credit for a market borrowing of Rs. 225 crores, taking into account the fact that the market will receive a repayment of Rs. 110 crores from the maturing 3 per cent.

Second Victory Loan—1959—61. I have also taken credit for a further small expansion of Rs. 15 crores in the treasury bills with the public. For Small Savings I have taken a net credit of Rs. 85 crores, a modest increase of Rs. 10 crores over the likely receipts this year. On the best estimate this can be made at present, I expect that foreign assistance next year would amount to Rs. 337 crores.

47. I may now summarise the overall budgetary position next year. At the existing level of taxation and expenditure, there will be a revenue deficit of Rs. 82 crores. Capital outlay will amount to Rs. 420 crores, loans to State Governments and others to Rs. 525 crores and debt repayments to Rs. 130 crores. This total outgo of Rs. 1,157 crores will be met to the extent of Rs. 111 crores by repayments of loans to Government, Rs. 240 crores from public borrowing in India, Rs. 85 crores from small savings, Rs. 337 crores from foreign assistance, Rs. 95 crores from the issue of special securities to meet the payment of the additional subscription to the International Monetary Fund and Rs. 44 crores from miscellaneous receipts under Debt and Deposit heads, leaving a deficit of Rs. 245 crores which will be met by the issue of treasury bills.

48. I now come to my proposals for dealing with the revenue deficit for the coming year.

PART B OF THE BUDGET SPEECH FOR 1959-60

49. The deficits in the current and the ensuing years are somewhat exceptional, the significant contraction of revenue coinciding with an increase in the quantum of development expenditure met from revenue. Although in the past we have been realising surpluses on revenue account every year, I feel that it would be unwise to leave the deficit in the coming year wholly uncovered. In past the comfortable revenue position was partly due to the resilience of revenue and partly to shortfalls in expenditure inevitable while the country is in the process of gearing its administrative machinery to implement an expanding development plan. Both these factors are ceasing to operate. The buoyance of revenue in the past was mainly under Customs but because of the drastic cuts in imports and the progressive freeing of our exports from export duty. Customs revenue has suddenly contracted and is likely to remain static for some years. The administrative machinery is now better equipped for implementing the Plan and budgetary provisions are likely to be spent more fully than in the past. For all these reasons I think that a part of the deficit next year would have to be covered. This would also be consistent with our policy of continuously mobilising additional resources for the Plan.

50. In determining the extent to which the prospective deficit should be covered. I have taken into account the amount by which taxation has been increased in the last two years. Our record in the matter of raising additional resources by way of taxation for the Plan has, I venture to think, been quite impressive since the Second Plan came into operation. In 1956-57, taking the proposals in the original and the supplementary budgets together, the total taxation raised was of the order of Rs. 80 crores. In the following year, we did even better and touched nearly a hundred crores. In the current year, the net additional taxation was not significant but, taking the three years of the Plan together, the additional taxation has been quite substantial. Having this in mind, I propose to cover only about a fourth of the anticipated deficit of Rs. 82 crores in the coming year.

51. The next problem is how to distribute this additional taxation between direct and indirect taxes. We have only just achieved an integrated scheme of direct taxation and I think that for the present we should concentrate on improving the administrative machinery, simplifying the existing procedures and plugging loop-holes. By these methods we should be able to improve our revenue from these sources without many major changes. They cannot, however, produce immediate results and, although my proposals include certain changes in the rates in this field also, the bulk of the additional revenue next year will, I fear, have to come from indirect taxes. I shall first deal with indirect taxation and then proceed to direct taxation.

INDIRECT TAXATION

52. In the field of indirect taxation my proposals are mostly by way of readjustments of rates and concessions in the existing duties of excise. These are described in some detail in the memorandum circulated with the budget papers and I shall only mention them briefly here.

53. The duty on refined diesel oils and vapourising oil is being raised from 40 naye paise per imperial gallon to 80 naye paise. There is at present a price advantage in favour of diesel oil of which we have to

import substantial quantities. Both as a measure of increasing revenue and conserving foreign exchange the proposed increase is justified. As a consequential adjustment, the rate of duty on low-speed diesel oil is also being increased from Rs. 40 per ton to Rs. 50 per ton. The total yield from these two measures will be Rs. 7·85 crores a year.

54. The duty on art silk fabrics is being raised from 6 pies per square yard to 6 naye paise per square yard. Simultaneously the exemption in the present form in respect of products of the first nine looms will be reduced to four looms. The increased levy is amply justified by the large profits which are made by the industry. The estimated yield will be Rs. 1 crore a year. The lowering of the exemption will also bring in Rs. 20 lakhs by way of additional duties which accrue to the States.

55. The effective rates of duty on rayon yarn and staple fibre are also being raised by 60 per cent. to yield an additional Rs. 50 lakhs.

56. The duty on motor vehicles tyres is being raised from 30 per cent *ad valorem* to 40 per cent *ad valorem*. There will be no change in the rate of duty on cycle tyres. The additional revenue is estimated at Rs. 1·75 crores.

57. An increase is also being made in the duty on vegetable product which will increase from Rs. 7 per cwt. to Rs. 8·75 per cwt. with a corresponding adjustment in the exemptions in favour of the small producers. The additional revenue will be Rs. 95 lakhs.

58. Vegetable non-essential oils were first subjected to excise in 1956, but some preference to medium and small scale producers was given by exempting production up to 125 tons per annum on a slab basis. In 1957 the free slab was brought down to 75 tons and a lower rate of duty levied on production between 75 tons and 125 tons. These concessions have been reviewed and it is now proposed to withdraw the exemption from all power driven units and limit the concessional levy to only the first 75 tons of production. These changes, which will be made by notification and will not affect village *ghanis* in any way, are expected to yield Rs. 4·4 crores.

59. Khandsari sugar is now exempt from excise duty but pays the usual sales taxes. There has always been a fiscal preference in favour of this sugar but, with the recent substantial increases in the duty on crystal sugar, this preference has further widened resulting in the shift of production to this form of sugar. There are cogent reasons for reducing the margin and this is being done by the levy of the basic duty of Rs. 5·60 per cwt., with an additional duty of 70 naye paise in replacement of the sales taxes. The basic duty will yield Rs. 1·82 crores and the additional duty, which will accrue in its entirety to the States, Rs. 25 lakhs.

60. Certain adjustments are also being made in the duty on various kinds of cigarettes involving an increase of 16 per cent. in the level of duties for cigarettes taken as a whole. These adjustments are expected to yield a revenue of Rs. 1·5 crores.

61. Incidentally, the present tariff on unmanufactured tobacco has led to some diversion to biri-making of tobacco which was previously used for hookah. I am taking powers to assess at the higher rate such varieties of tobacco as may be specially notified and as are actually used for the making of biris.

62. The incidence of excise and export duties on tea has been under continuous review. It has been decided to readjust the rate of excise duties on the teas grown in certain areas of the country and to reduce, at the same time, the effective rate of export duties from 26 naye paise per lb. to 24 naye paise per lb. These changes will result in an additional revenue of Rs. 58 lakhs under Union excise and a reduction of Rs. 93 lakhs in the yield from the export duty. In the net, the industry will benefit to the extent of Rs. 35 lakhs.

63. The total additional revenue from the various measures I have just mentioned will amount to Rs. 20·35 crores from the basic duties and Rs. 45 lakhs from the additional duties in replacement of sales taxes which accrue to the States. As Hon'ble Members are aware, the basic duties on tobacco, vegetable product, tea, sugar and vegetable non-essential oils are shared with the States in accordance with the award of the last Finance Commission. Twentyfive per cent. of the net additional revenue from these commodities will have to be distributed to the States, after deducting the cost of collection. This payment will be of the order of Rs. 2·27 crores. Allowing for this and for the additional duties to be paid to them, I am taking the net additional revenue from changes in Union excise duties at Rs. 18·08 crores.

64. I propose to make no major change in regard to customs duties. But there will be a countervailing increase in the import duties on the commodities on which excise duties are being increased and this by itself will bring in an additional revenue of Rs. 3·65 crores. The reduction in the export duty on tea will, however, involve a drop of Rs. 93 lakhs in revenue as I have mentioned earlier. I propose to make a small increase in the duty on unexposed cinema films to yield Rs. 5 lakhs a year for the benefit of the Film Finance Corporation which is being set up. With this small addition, the net additional yield from customs duties next year will amount to Rs. 2·77 crores.

Direct Taxation

65. I propose to increase, with effect from 1959-60 the Wealth tax payable by individuals and Hindu undivided families by half a per cent at each slab. The new rates of Wealth tax on individuals will be 1 per cent on wealth in excess of Rs. 2 lakhs but upto Rs. 12 lakhs, 1½ per cent on the excess between Rs. 12 lakhs and Rs. 22 lakhs and 2 per cent on any excess above that. For Hindu undivided families, corresponding changes will be made. The extra revenue on this account will be Rs. 2·5 crores.

66. The revenue from Expenditure tax has been quite disappointing this year. It is a new tax, not tried anywhere else in the world, and in the first year of its imposition in our country, it is only right that we should have proceeded cautiously. I think, however, that the time has come to tighten the existing law to some extent. I propose, therefore, to withdraw some of the exemptions now available and, in particular, to provide that the husband, wife and minor children should be regarded as one unit for the exemption limit of Rs. 30,000 in the matter of non-taxable expenditure and not as separate assessees if they have incomes in their individual rights.

67. Coming to income tax, I propose to make no change in the present rates and structure of personal income tax. I have, however, some proposals for changing the present system of taxation of company profits and dividends. At present, an Indian company is generally required to pay income tax at 30 per cent plus a surcharge of 1·5 per cent and super tax at 20 per cent on its total income. When dividends are declared out of the balance after payment of these taxes, a portion of the income-tax paid by the company is deemed to have been paid by the shareholders themselves. In the assessments of the latter, the dividends received by them are included in their income after being "grossed" and they are credited with the amounts deemed to have been paid by the company on their behalf. This process of grossing is somewhat complicated. For one thing, the rate of grossing depends on the effective rate at which the company's profits are initially subjected to tax. The effective rate in its turn depends upon the composition of the income of the company. The dividends themselves may be paid out of reserves accumulated over some years, which again complicates the determination of the effective rate at which the profits have been taxed. Further, the assessments of shareholders have to await the completion of the assessments of the companies. All these lead to considerable inconvenience to all concerned, and the scheme I propose seeks to avoid this.

68. The main points of this scheme are briefly these . The legal fiction of deeming the income-tax paid by the company as having been paid by the shareholder and the complicated process of grossing the dividends received by the latter will be abolished. The overall tax rate hitherto applicable to Indian companies will be so fixed that the yield will be equal to the present annual gross yield less the annual credit now given to the shareholders. The tax liability of the shareholders will no longer be related to the tax borne by the companies. So far as the shareholders are concerned, companies will deduct tax at a prescribed flat rate and credit it to Government. This tax will be re-imbursed to the shareholders at the time of their assessment as is done today in the case of interest on Government securities. I hope to devise a scheme for issuing exemption certificates for small shareholders so that the question of reimbursement does not arise in their cases.

69. The scheme will be implemented in two stages. In the first stage, that is, during 1959-60, income-tax will be deducted by the companies at the same rate as for Government securities from dividends distributed by them but only from dividends declared for the year the profits of which will be assessed to tax in 1960-61; for example, dividends declared for the year ending 30th June, 1959. Dividends declared for any earlier year, the profits of which are assessable in 1959-60 (for example, dividends for the calendar year 1958) will not be subject to this deduction and will continue to be assessed under the existing provisions. During the second stage, that is during 1960-61, the overall tax rate applicable to the companies under the scheme will come into operation. The present scheme of grossing of dividends will cease to operate from 1st April, 1960 in respect of dividends declared for the accounting year relevant to the assessment year 1960-61 and subsequent years.

70. As part of the scheme of simplification of company taxation, I propose to combine in the income tax and super tax rates of companies, the net incidence of the present taxes on income, excess dividends and wealth. For purposes of advance payment of tax by companies under Section 18-A of the Income Tax Act, I propose a rate of 20 per cent, for

income tax and 25 per cent. for super tax, that is to say, a total of 45 per cent. This rate will secure the same revenue as is at present derived from the taxes on the wealth and profits of companies and I propose, therefore, to abolish the Wealth Tax on companies and the Excess Dividends Tax.

71. The changes in company taxation will not effect the divisible pool of income tax in the coming year. In 1960-61 a part of the tax now accruing to the pool may not, for technical reasons, be treated as divisible. It is Government's intention to secure that, until the matter has been examined by the next Finance Commission, the State Governments continue to receive as their share of income tax about the same amount which they would have received had this change not been made.

72. Foreign companies which declare dividends outside India will, of course, not be subject to the scheme I have described. However, some adjustment is necessary in the rates applicable to them on account of the withdrawal of the Wealth Tax on companies. The present rate appliable to such companies is 61·5 per cent. and I propose to raise it to 63 per cent. with effect from 1960-61.

73. Before leaving the subject of company taxation, I should like to mention one further change. While ordinary bonus issues are subject to tax, bonus issues which are made out of share premium accounts are not now taxed. With effect from 1960-61, I propose to subject these issues also to taxation like other bonus issues.

74. A few more changes in the Income Tax Act will be necessary as a corollary to the new scheme, I will not, however, tire the House with a detailed description of these changes. They are incorporated in the Finance Bill and are explained in the Memorandum on the Bill circulated with the Budget papers.

75. The Finance Bill also contains some other minor changes. These have no significant effect on revenue and I would like to mention to the House only two of them; one of them withdraws the concessions now available to incomes earned abroad but not remitted to India upto a limit of Rs. 4,500 and the other provides for certain allowances to be given in pursuance of the agreement entered into with an oil company for the exploration of oil in the West Bengal area.

Net Effect of Proposals

76. I would now summarise the net effect of the taxation proposals. The changes in the Union excise duties, excluding the shares that accrue to the States, will yield Rs. 18·08 crores. The changes in Customs duties will bring in Rs. 2·77 crores and the increase in the Wealth Tax Rs. 2·5 crores, a total of Rs. 23·35 crores. This will reduce the deficit on revenue account from Rs. 81·67 crores to Rs. 58·32 crores, about the same amount as in the current year which I propose to leave uncovered. The overall budgetary deficit will also be reduced from Rs. 245 crores to Rs. 222 crores.

Conclusion

77. The annual budget is now something more than a simple account of Government's house-keeping. Each budget marks a stage in the country's continuous development and has to be judged by the contribution it makes to this development. In a sense therefore, the stage that has been reached in the implementation of the Plan conditions this budget. So far as the Plan is concerned, I think it is accepted by every one that subject to such minor adjustments as may be necessary and were made at the time of the recent reappraisal by the National Development Council, we have to go forward with the Plan. For me, as for my predecessors in this place, this has been the major factor round which the budget has to be built. In doing so, I have kept continuously in mind the main considerations necessary for the successful implementation of the Plan. If I may repeat them, these are the maximum mobilisation of resources by taxation and borrowing, firm control over the growth of non-development expenditure and minimum recourse to borrowing from the central bank for the finance required for development. In regard to the raising of resources, although the quantum of additional taxation next year is moderate compared to what was raised in the first two years of the Plan, it is still substantial. As regards the growth of expenditure, Hon'ble Members will notice that the next year's budget provides for a substantial drop in Defence expenditure and that the bulk of the increase in Civil expenditure is on account of larger provision for development. We are doing our best to see that there is no avoidable increase in non-development expenditure and in the Finance Ministry and in the Planning Commission, we have machinery for securing economies in non-Plan and Plan expenditure. An account of the work of the economy units is given to Parliament from time to time and I need not dilate on it here. I would, however, assure the House that I am fully conscious of the imperative need for tightening control over such expenditure and it is our constant endeavour to achieve the utmost economy without sacrifice of efficiency or output. As regards borrowing from the central bank, although the overall budgetary deficit for the coming year is smaller than in the current year and very much smaller than the deficit in 1957-58, it is still somewhat higher than I myself would have wished and Government had in mind some months ago. The House will appreciate that to a large extent this deficit reflects the outlay on the Plan which cannot be cut down without accentuating unemployment and leading to stagnation. Nevertheless, I may assure the House that Government do not take a complacent view of the situation and it is my intention to see how far the deficit could be reduced by appropriate measures during the course of the year.

78. In recent months, we have been passing through a difficult period and as the Prime Minister summed it up so aptly when he presented the budget last year, our crisis is a crisis of development, a crisis of resources. I feel we have passed through the most difficult phase and that there is no reason for taking a pessimistic view of the situation. Many of the major development schemes will be completed in the course of the remaining period of the Plan and will start yielding results. The country's foreign exchange difficulties are being steadily surmounted and the overall budgetary deficits have started moving down significantly. Although the price situation is still a matter of some concern, there is no reason to doubt the inherent soundness of the country's economy and its ability to weather the current difficulties. These difficulties are purely transitional and

should act as a spur to greater effort on the part of the community. There can, in any case, be no question of looking back or of slowing down the country's economic development. This would require greater production, greater saving and more restraint in consumption—in other words, greater efforts and more sacrifices by the community for ensuring a better future for the country. I am certain that these efforts and sacrifices would be forthcoming and that we could go forward with a stout heart and with confidence in our high destiny.

SUMMARY OF FINAL ESTIMATES

(In lakhs of Ruppes)

REVENUE	Budget 1958-59	Revised 1958-59	Budget 1959-60
Customs	170,00	136,00	130,00 + 2,77 *
Union Excise Duties	304,76	301,15	307,00 + 18,08 *
Corporation Tax	55,50	56,00	58,75
Taxes on Income other than Corporation Tax"	84,53	86,70	87,63
Estate Duty	12	12	14
Tax on Wealth	12,50	10,00	10,50 + 2,50 *
Tax on Railway Fares	7	11	11
Tax on Expenditure	3,00	1,00	1,00
Tax on Gift	2,00	1,20	1,20
Opium	2,87	3,31	3,92
Interest	6,60	8,36	10,75
Civil Administration	44,24	45,63	35,80
Currency and Mint	36,62	34,76	55,60
Civil Works	2,87	2,87	3,00
Other Sources of Revenue	32,93	29,21	41,93
Posts & Telegraphs—Net contribution to general revenues	2,34	5,38	4,20
Railways-Net contribution to general revenues	7,04	6,40	5,98
Total Revenue	767,99	728,20	757,51 + 23,35 *
EXPENDITURE			
Direct Demands on Revenue	94,45	99,63	101,65
Irrigation	13	16	16
Debt Services	40,00	42,06	57,88
Civil Administration	200,44	197,72	222,73
Currency and Mint	8,50	9,14	9,83
Civil Works & Miscellaneous Public Improvements	18,71	18,32	19,35
Pensions	9,40	9,53	9,63
Miscellaneous :			
Expenditure on Displaced Persons	20,48	24,75	19,69
Other Expenditure	50,33	57,81	71,30
Grants to States etc.	47,03	46,95	49,02
Extraordinary Items	28,40	15,21	35,26
Defence Services (Net)	278,14	266,87	242,68
Total Expenditure	796,01	788,15	839,18
Deficit (---)	—28,02	—59,95	—58,31

*Effect of budget proposals.

ECONOMIC SURVEY, 1958-59

The object of this Survey is to assess the main trends in the economy during the year 1958-59 with a view to presenting the background against which the budgetary and economic policies for the coming year have to be viewed.

2. The principal objective of policy in a developing economy is to ensure, to the utmost extent possible, that the investment programmes in the Plan are implemented according to schedule. The mobilisation of resources, both internal and external, must, therefore, be the continuing keynote of the annual Economic Surveys, the degree of emphasis on particular aspects of policy varying in the light of the behaviour of various indices, such as production, prices, monetary expansion or contraction and the balance of payments, which point to the ebb and flow of pressures at various points in the system. While the Five Year Plan under implementation provides the broad framework of targets and policies, the levels of outlay year by year and the accent of fiscal, monetary and other regulatory balances in the economy are, to an extent, flexible, and have to be adjusted to the requirements of the economic situation, immediate and prospective.

I *The Economic Situation*

3. The sharp decline in agricultural production in 1957-58 and a slowing down of the rate of growth of industrial production accentuated the pressure on prices during 1958-59. The index of wholesale prices (1952-53=100) which had registered a decline in the latter part of 1957 started rising from March 1958; it went up from 105 in that month to 116 in August, the rise being accounted for mainly by the upward movement of the index for food articles from 102 to 120 in this period. Prices were more or less stable in September and October, and showed a downward trend in November and December, the general index reaching a level of 110-111 by December-end and early January 1959. There has, again, been a rise since then; the index of wholesale prices for the week ending the 7th February being 114·5. On the whole, the rise in the wholesale price level as measured by the average of monthly indices for the year was 2·1 per cent. in 1958 as compared to 5·9 per cent. in 1957. The all-India cost of living rose sharply during the year, the index going up from 110 in March, 1958 to 123 in October, and receding to 122 in November and 119 in December.

4. There was also an increased strain on the balance of payments in the first half of the year. The foreign assets of the Reserve Bank declined at an average rate of Rs. 5·4 crores in the quarter April—June, 1958 (without taking credit for the receipt of Rs. 21 crores during this period from the U.K. under the Pensions Settlement of 1955). The rate of drawals in July was about Rs. 5·1 crores per week. Since then, there has been an improvement in the situation. The drawals averaged Rs. 2 crores per week in August, Rs. 0·84 crore in September and Rs. 1·09 crores in October, and there have been, for the first time since the commencement of the Second Plan, some additions to reserves in November, December and January. In the middle of February 1959, the foreign assets of the Reserve

Bank stood at Rs. 206 crores as compared to Rs. 279 crores a year earlier and the lowest level of Rs. 178 crores reached at the end of October 1958. The recent improvement of Rs. 28 crores includes a sum of Rs. 13·3 crores received in the second week of February 1959, from the U.K. under the Pensions Settlement of 1955.

5. While the economic trends in the first two years of the Plan were indicative of a growing imbalance in the economy arising mainly out of the step-up in investment activity in pursuance of the plan, the signs now are of a lessening in this imbalance. The step-up in aggregate investment during the year under review has been relatively small; a larger proportion of it than in the previous two years has been financed by external resources. Credit creation has been on a smaller scale; and, stringency in the money market has abated, with consequential improvement in the loan receipts of both the Central and State Governments. The upward trend in prices has been mainly the consequence of a shortfall in agricultural production rather than of any overall excess of demand. Prices of raw materials and manufactured goods have remained practically stable. The downward adjustment in the Plan from Rs. 4,800 crores to Rs. 4,500 crores—with a substantially larger quantum of external assistance than was envisaged earlier—is also a factor that should reduce the strain on the economy in the immediate future.

II *Production*

6. Agricultural production in 1957-58 was the lowest on record since 1953-54, the index (1949-50 = 100) for the year being 113·4 as compared to 114·3 in 1953-54, 117·0 in 1954-55, 116·9 in 1955-56 and 123·8 in 1956-57 (*vide* Tables 1.1 and 1.2 at the end). The output both of foodgrains and commercial crops was lower than in 1956-57. As will be seen from the table below, the fall, as compared to the previous year, in the production of rice, wheat and pulses was 12·3, 17·8 and 19·0 per cent. respectively while the index for all foodgrains was 11 per cent. lower.

Output of foodgrains

	(Million tons)		Percentage change in the index of production
	1956-57	1957-58	
Rice	28·3	24·8	—12·3
Wheat	9·3	7·7	—17·8
Other cereals	19·6	20·3	+3·2
All cereals	57·2	52·8	—9·7
Pulses	11·5	9·2	—19·0
All foodgrains	68·7	62·0	—11·0

Of the commercial crops, only cotton and groundnut registered small increases, while the out-turn of jute, sugarcane and oilseeds was markedly smaller. The following table indicates the comparative position for 1956-57 and 1957-58.

Output of commercial crops

	1956-57	1957-58	Percentage change in the index of production
Cotton ('000 bales)	4,735	4,753	+0·4
Jute ('000 bales)	4,288	4,088	—4·6
Groundnut ('000 tons)	4,200	4,271	+1·7
Other oilseeds ('000 tons)	1,976	1,636	—16·5
Sugarcane ('000 tons) (In terms of gur)	6,752	6,476	—5·7

7. The rate of growth of industrial production has slowed down since 1957. Whereas the Index (1951=100) rose from 122·4 in 1955 to 132·6 in 1956, *i.e.*, by more than 8 per cent., it went up to 137·3 in 1957, which is a rise of only 3·5 per cent. The rise in 1958 has been even less mainly because of the fall of about 7½ and 5½ per cent. respectively in the production of cotton cloth and yarn which between them have a weightage of 36 per cent. in the index of industrial production. If cotton textiles are excluded, the rise in the index of industrial production for all other industries in 1958 would be about the same as in 1957 when the index had increased by about 6 per cent. It might also be mentioned that some of the new engineering and chemical industries which are not included in the index have been recording considerable increases in recent years.

8. Tables 1.4 and 1.5 at the end give the trends in industrial production in respect of 50 industries on a quarterly basis in 1957 and 1958. These industries account for nearly 80 per cent. of industrial production. It will be seen that the output of several industries such as coal, electricity, pig iron, diesel engines, power driven pumps, electric motors, machine tools, sulphuric acid, caustic soda, bicycles and sewing machines showed a significant rise in 1958 as compared to 1957. In the year as a whole output of coal is estimated to be a little over 45 million tons as compared to 43·5 million tons in 1957. Both the generation and sales of electricity (Table 1.6) have shown a continuing rise, the increase since 1956 being about 26 per cent. Sales for domestic consumption have risen by about 20 per cent., for industrial power by 25 per cent. and for irrigation by about 100 per cent. The production of bicycles increased from 7·9 lakhs in 1957 to 9·2 lakhs in 1958.

9. In the case of some industries such as automobiles, power transformers, finished steel, electric lamps, cloth, vanaspati and sugar, the level of production in 1958 was lower than in 1957. While the rate of growth of some industries, such as automobiles, has slowed down because of import restrictions, the decline in the output of cloth, vanaspati and electric lamps reflects a slackening of consumer demand for these commodities. The offtake of cement has gone down partly because some of the major irrigation and power projects have passed the stage of peak demand for cement and because shortage of steel has reduced construction activity. Thus, the trend in industrial production has been affected not only by import restrictions but also by some slackening in internal demand.

10. The following table shows the trend in national income from 1950-51 to 1956-57 both at current and constant (1948-49) prices:

Net national output at current and constant prices

	1956-57*	1955-56	1954-55	1953-54	1952-53	1951-52	1950-51
1	2	3	4	5	6	7	8
I Index number of net output with 1948-49 as base—							
(*a*) at current prices .	131·9	115·5	111·1	121·2	113·5	115·3	110·2
(*b*) at 1948-49 prices .	127·3	121·2	118·8	116·0	109·4	105·2	102·3
II Index number of *per capita* net output with 1948-49 as base—							
(*a*) at current prices .	119·2	105·6	103·0	113·7	107·9	111·0	107·4
(*b*) at 1948-49 prices .	115·0	110·8	110·1	108·8	103·9	101·3	99·8

*Preliminary

The estimates for 1957-58 are not yet available. But with the shortfall in agricultural production and the slowing down of the growth of industrial production mentioned above, it is likely that national income (in real terms) in 1957-58 will show a fall of about 2 per cent. The rise in national income *per capita* at constant prices has been small since 1953-54 and the stresses and strains of recent years can be explained by the substantial increase in the resources directed to investment in this period, relatively to income trends.

III *Employment*

11. The number of applicants on the live registers of the employment exchanges rose from 9·2 lakhs at the end of 1957 to 11·8 lakhs by the end of 1958. The increase was thus 2·6 lakhs as compared to 1·6 lakhs in the previous year. The vacancies notified went up from 2·97 lakhs in 1957 to 3·65 lakhs in 1958, and placements showed an increase from 1·93 lakhs in 1957 to 2·33 lakhs in 1958. Part of the increase in numbers on the live registers is due to the opening of new exchanges and the increasing use of this agency by those seeking employment. It is also known that some of those registered with the exchanges are not unemployed but are on the look-out for better jobs. The practice enjoined on government departments to recruit temporary staff through the employment exchanges also acts as an incentive for registrations on a larger scale. Nevertheless, the figures indicate that the pressure of supply on the employment market has, on balance, been on the increase.

12. The following table gives the category-wise distribution of persons registered with the employment exchanges:

	December, 1957	December, 1958
Total No. of persons on live registers	9,22,099	11,83,299
Industrial supervisory	5,929 (0·64)	8,923 (0·75)
Skilled and semi-skilled	71,508 (7·75)	88,665 (7·49)
Clerical	2,67,757 (29·04)	3,08,203 (26·05)
Educational	40,246 (4·36)	56,157 (4·75)
Domestic service	32,018 (3·47)	43,823 (3·70)
Unskilled	4,60,639 (49·96)	6,20,249 (52·42)
Others	44,002 (4·77)	57,279 (4·84)

Figures in brackets denote percentages

It will be seen that the unskilled and the clerical job seekers between them constitute nearly 80 per cent. of the registrants. There was during the year a slight increase in the proportion of unskilled persons in the total and a decline in the relative proportion of those seeking clerical jobs, but, broadly speaking, these are the two categories where there is

an excess supply. Reports from various States indicate continued shortage of experienced engineers, surveyors, overseers, stenographers, doctors, health visitors and similar qualified personnel.

13. The data available regarding employment trends in different industries also indicate not too satisfactory a picture. The cotton textile industry has been affected adversely by the fall in demand. Employment in that industry declined from 792,000 in December 1957 to 740,000 in June 1958. There has been some increase since; in September the number of workers employed in the cotton textile industry was 768,000. There have been closures in the jute textile industry and also in tea gardens. The closure in the early part of 1958 of manganese mines producing low-grade ore also affected employment in that industry adversely, although the position seems to have improved lately. In the coal industry, on the other hand, the average daily employment is estimated to have been larger by about 15,000, as compared to the previous year. Some small-scale industries such as handlooms made further progress during the year. On the other hand, some of the metal processing industries depending on imported supplies are reported to have been affected adversely. The shortage of steel has also probably damped down building activity, reducing correspondingly the employment opportunities in that sector.

14. While it is not possible for lack of adequate data to assess in any precise terms the trends of employment and unemployment in the economy as a whole, the various pointers mentioned above would appear to indicate some worsening, during the year, of the employment situation in some sectors of the economy.

IV *Monetary Trends*

15. There was, during the year, a further slowing down in the rate of increase of money supply in the hands of the public. Tables 3.1 and 3.2 set forth the relevant data in detail. Over the twelve months of 1958, the increase in money supply with the public was Rs. 74·9 crores as compared to an increase of Rs. 96·3 crores in 1957 and of Rs. 131·5 crores in 1956. The net indebtedness of Government to the banking system increased by Rs. 407 crores during the year as compared to an increase of Rs. 477 crores in 1957 and Rs. 244 crores in 1956. A large part of this expansionary impact on money supply in 1958 was countered by the decline in the foreign assets of the Reserve Bank and a diminution in the indebtedness of the private sector to the banking system. The decline in the foreign assets held by the Reserve Bank was Rs. 108·8 crores in 1958 as compared to Rs. 327·5 crores in 1957. On the other hand, the net decrease in bank credit to the private sector was larger in 1958—Rs. 195·4 crores as compared to Rs. 120 crores in 1957. Thus both in 1957 and 1958, there has been a decline in the net credit extended by banks to the private sector in contrast to 1956 when the banking system advanced net credit both to Government and to the private sector. The main reason for this change is, of course, the substantial increase in the time liabilities of the banking system which went up from Rs. 717·6 crores at the end of 1957 to Rs. 934·7 crores at the end of 1958—an increase of Rs. 217 crores. After allowing for the time deposits under P.L. 480, the net contractionist effect of private transactions was around Rs. 120 crores as compared to Rs. 35 crores in 1957.

16. The volume of scheduled bank advances (including bills purchased and discounted) increased over the year from Rs. 857·1 crores to Rs. 865·6 crores. On the other hand, the marked uptrend in deposits with the banks noticeable since the end of 1956 continued, the increase in 1958 being Rs. 206·1 crores as compared to Rs. 266·8 crores in 1957. This inflow of resources into the banking system enabled the banks to reduce their credit-deposits ratio which at the end of 1958 was 55 per cent. as compared to 62·7 per cent. and 71·6 per cent. at the end of 1957 and 1956 respectively. Although the State co-operative banks' borrowings from the Reserve Bank went up by Rs. 18·5 crores in 1958, those of the scheduled banks declined from Rs. 23·6 crores at the end of 1957 to Rs. 11 crores towards the close of 1958. The decline becomes even more marked when considered against the outstandings of Rs. 79·1 crores at the end of 1956. The scheduled banks also increased their holdings of Government securities by Rs. 203·8 crores in 1958. This may be compared with the increase of Rs. 69 crores in 1957 and the decline of Rs. 18·6 crores in 1956.

17. An analysis of the seasonal trend in bank credit indicates a weakening of the expansionary factors operating in the economy after the spurt in 1956-57. In the busy season of 1956-57, the increase in scheduled bank credit was Rs. 148·4 crores. The rise in the busy season of 1957-58 was Rs. 89·4 crores. Similarly, in the slack season of 1957, bank credit declined by Rs. 41·9 crores while the decline in the slack season of the following year was Rs. 117·8 crores. The table below gives the highest and the lowest levels of bank advances in the busy and slack seasons respectively in 1956-57, 1957-58 and (part of) 1958-59:

Scheduled Bank Credit

(Rs. crores)

Busy season	Lowest	Highest	Slack season	Highest	Lowest
1956-57	761·3 (Nov. 16, 1956)	909·1 (April 26, 1957)	1957	938·3 (June 7, 1957)	842·0 (Sept. 13, 1957)
1957-58	840·0 (Nov. 29, 1957)	968·1 (April 4, 1958)	1958	955·9 (May 2, 1958)	834·8 (Oct. 10, 1958)
1958-59 (up to Jan. 30, 1959)	831·0 (Nov. 21, 1958)	920·3 (Jan. 30, 1959)	..	..	..

As a result of the reduction in the pressure of demand for funds and the substantial improvement in the resources position of banks, money rates moved downwards. The call rate among the larger banks, which remained at around 3 per cent. during the first half of 1958 declined to 1 per cent. in the second half of November 1958, although towards the end of 1958 it moved up again to $3\frac{1}{4}$ to $3\frac{3}{4}$ per cent. under the seasonal pressure of demand for funds. The rate for house money which was quoted at about $4\frac{1}{8}$—$4\frac{1}{4}$ per cent. up to June 1958 moved downwards to $3\frac{1}{2}$ to 3-7/8 per cent. in December. Similarly, term money (1 to 6 months) which was sticky at $4\frac{1}{4}$—$4\frac{3}{8}$ per cent. up to June 1958 eased to $3\frac{1}{2}$ to 4 per cent.

18. In view of the plenitude of funds in the money market, the Government of India resumed, after a lapse of 27 months, the weekly auction of 91-day Treasury Bills towards the end of July 1958. The average rate of discount on these bills declined from 2·726 per cent. per annum during the week ended August 1, 1958 to 2·411 per cent. per annum in the week ended December 5, 1958. During the current busy season, it has gone up a little and was 2·530 per cent. per annum for the week ending February 13, 1959.

19. With the improvement in the money market, the borrowing programme both at the Centre and in the States secured much better response than in the previous year. The Central Government's borrowings during 1958-59 amounted to Rs. 181 crores (net). The State Governments raised loans totalling Rs. 46 crores (net). In the aggregate the market loans raised by the Centre and the States in 1958-59 amounted to Rs. 227 crores as compared to Rs. 71 crores in 1957-58 and Rs. 141 crores in 1956-57. In addition, some of the State Finance Corporations, the Industrial Finance Corporation as well as other semi-government institutions raised sizeable amounts in the market. Despite these borrowings, the gilt-edged market remained firm throughout the year.

20. The downward trend in equity prices which had persisted since August, 1956 until the end of 1957 was reversed during the year under review. The all-India index of prices of variable dividend industrial securities (1952-53=100) which had touched 120 by the end of 1957 rose more or less continuously to 144·7 by the end of September, 1958—an increase of about 20 per cent. There has been some setback since then, the index declining to 136·5 by December-end. In recent weeks the index has been around 138. Over the year, the index shows an improvement of about 14 per cent., the rise in the equity prices of metals, chemicals, silk and woollen textiles and construction industries being the most marked. The capital market has thus regained confidence and has displayed through the year a firm trend. The index of prices of Government and semi-government securities also went up from 98·4 at the end of 1957 to 100·5 by December-end 1958.

21. It is doubtful, however, if the improvement in the tone of the capital market can be regarded as a pointer to increasing investment activity. Judging from company reports published during the latter half of 1958, the profits in several lines such as banking, textiles, sugar and some of the engineering industries were lower in 1957-58 than in 1956-57. The data relating to consents for capital issues also indicate some slackening of investment in the private sector. In 1957, the total consents amounted to Rs. 153·3 crores, of which Rs. 17·9 crores were in respect of Government companies and Rs. 135·4 crores were for the private sector. In 1958, the total of consents amounted to Rs. 423 crores. Of this, Rs. 333·5 crores were on account of Government companies (mainly Hindustan Steel) and Rs. 89·5 crores were for the private sector. The licenses granted under the Industries (Development and Regulation) Act for new units and for substantial expansion have also been lower in the first half of 1958 as compared to the same period in 1957, although as compared to the second half of 1957, the first half of 1958 showed some improvement. With the completion of the bulk of the steel expansion programme in the private sector and with the strict licensing policy in respect of capital goods imports, the tempo of investment in the private sector has no longer the same expansionary impact as it had in the earlier stages of the Second Five Year Plan.

V *Prices*

22. The moderate expansion in money supply against the background of agricultural shortages exerted an upward pressure on prices for the major part of the year under review. The index of wholesale prices has

of late been around 113 as compared to 105 about a year ago. Over the three years since the Second Plan commenced, the rise has been of the order of 15 per cent. The index rose from 98 in March, 1956 to 106 by March, 1957, and the upward trend continued until August, 1957, when the index touched 112. Between September, 1957 and March, 1958, there was a downward trend, the index for the latter month being 105. From March, wholesale prices started rising again, reaching a level of 116 by August. The index remained around this level for the next two months and registered a decline thereafter to 110·7 by the beginning of January 1959. In recent weeks there has, again, been an upward trend. The average of monthly wholesale price indices for 1957-58 was 2·9 per cent. higher than for the preceding year; the average for the period April-December, 1958 works out 3·2 per cent. higher than that for the same period in 1957-58.

23. The following table shows the movements of the prices by major commodity groups:

(*Base* : 1952-53 = 100)

	December, 1957	April, 1958	July, 1958	December, 1958
Cereals	98	97	110	105
Food articles (including cereals) .	104	105	118	113
Industrial raw materials .	115	114	118	113
Manufactures . . .	108	108	108	108
General index .	107	107	115	111

Over the year, the rise in the wholesale price index reflects, it will be seen, the upward movement in the index for food articles, especially cereals. The prices of other groups have been virtually stable; the prices of cotton and jute manufactures, in fact, declined between December, 1957 and December, 1958 from 115 to 111 and from 93 to 85 respectively. Among the foodgrains, rice went up from 99 in February, 1958 to 118 in September; wheat from 84 to 105, pulses from 76 to 105. Substantial imports of foodgrains notwithstanding, the availability *per capita* has been low as will be seen from Table 1.3 at the end.

24. The working class cost-of-living indices showed an upward trend through the major part of the year (Table 4.3), the all-India index rising from 113 at the end of 1957 to 122 in November, 1958. The food component of this index went up from 113 to 127 during the period mentioned. In December, with food items going down to 122, the cost-of-living index receded to 119.

VI *Balance of Payments*

25. The pressure on foreign exchange reserves which has been evident since the beginning of the Second Five Year Plan was felt even more acutely in the earlier part of the year, though it abated considerably thereafter. The average weekly rate of decline in the foreign assets of the Reserve Bank in the first nine months of 1958-59 was Rs. 2·6 crores.

The rate of drawals had gone down from Rs. 8·0 crores in the first half of 1957-58 to Rs. 3·3 crores in the second half. There was a sharp reversal of this trend in the first four months of 1958-59, when the rate of weekly drawals increased to Rs. 5·3 crores. The trend was halted a little by the end of July, 1958; for the quarter July-September, the rate of drawal averaged Rs. 2·6 crores per week. From the beginning of November the reserves have been going up and on February 13, 1959, they stood at Rs. 206·1 crores.

26. The following table sets out the balance of payments position for 1956-57, 1957-58 and the first half of 1958-59; detailed figures of balance of payments for the third quarter of 1958-59 are not yet available:

(Rs. crores)

	1956-57	1957-58	1958-59 (Apr.—Sept.)
1. Exports	635·1	594·5*	253·5
2. Imports	1,095·6	1,174·8	526·0
3. Trade balance (1-2)	—460·5	—580·3	—272·5
4. Invisibles (net)	153·7	129·2	61·7
5. Current account balance (3+4)	—306·8	—451·1	—210·8
Financed by :—			
6. Official loans (net)	60·1	87·1	95·5
7. Drawings on I.M.F.	60·7	34·5	..
8. Other capital transactions	—24·6	65·2	17·1
9. Use of foreign exchange reserves	221·3	259·9	86·3
10. Errors and Omissions	—10·7	4·4	11·9
	306·8	451·1	210·8

*Excludes repatriation to the U. S. A. of lend-lease silver valued at Rs. 74·4 crores.

It will be seen from the table that the deficit on current account in 1957-58 was about 50 per cent. larger than in 1956-57. Exports were lower, while imports exceeded the previous year's level of Rs. 1,096 crores by Rs. 79 crores and the level in 1955-56 by about Rs. 425 crores. The fall in reserves in 1957-58 was Rs. 39 crores more than in the previous year, in spite of a net exceptional inflow of Rs. 65 crores on 'Other capital transactions'. For the first half of 1958-59 the improvement in the current account over the position in 1957-58 is small. While imports are significantly lower, exports have also shown a decline. It will be noticed that the receipts of official loans in the half year—Rs. 95·5 crores—were larger than for the whole of the previous year. This resulted in a substantial diminution in the draft on foreign exchange reserves. The total of official loans

and grants over the 2½ years works out at Rs. 341 crores. Table 5.1 at the end gives the balance of payments position for 1957-58 and the first half of 1958-59 on a quarterly basis.

27. The abatement of the pressure on foreign exchange reserves has been due, as mentioned above, to the severe restrictions on imports and the larger flow of assistance from abroad. Tables 5.2 and 5.3 at the end give details of imports on private account and exports respectively on a quarterly basis. As can be seen from the summary table below, private imports amounted to about Rs. 200 crores per quarter between April, 1956 and June, 1957. Since then, they have declined more or less steadily, the level in July—September, 1958 being Rs. 133 crores.

Private Imports

(Rs. Crores)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
1956-57 . . .	196·1	195·5	209·7	194·7	796·0
1957-58 . . .	201·0	182·5	159·6	138·9	682·0
1958-59 . . .	142·2	132·9	N.A.	N.A.	275·1

The decline in private imports has been most marked in the case of consumer goods, the fall being from a quarterly rate of Rs. 37 crores in 1956-57 to Rs. 19 crores in the first two quarters of 1958-59. The proportion of consumer goods to total imports on private account was slightly less than 20 per cent. between April, 1956 and June, 1957. It came down to about 15 per cent. in July—September, 1958, when total private imports were smaller.

28. The imports of intermediate goods and raw materials have also gone down, although the scope for reduction in these imports is necessarily small. The decline in these two categories is explained by the lower imports of one or two items, such as iron and steel. The quarterly imports of iron and steel which averaged about Rs. 30 crores in 1956-57 and Rs. 20 crores in 1957-58 came down to a little over Rs. 10 crores in the first half of 1958-59. Imports of raw materials were about Rs. 173 crores in 1956-57; they were reduced by Rs. 40 crores in 1957-58 mainly through a cut in the imports of raw cotton. Raw material imports in the first half of 1958-59 recorded a small increase. In the case of capital goods, imports were around Rs. 50 crores a quarter in 1956-57, and there was only a small decline in 1957-58. In the first as well as in the second quarter of 1958-59, these imports amounted to only Rs. 37 crores.

29. The trend in government imports has been continually upwards. In 1956-57, these imports were Rs. 291 crores, *i.e.*, a little over one-fourth of the total. In 1957-58 while private imports declined by about Rs. 122 crores, government imports, including food imports, increased by Rs. 201 crores and constituted a little over 40 per cent. of total imports. During the first half of 1958-59, the proportion of government imports to the total increased further to about 48 per cent.

30. The following table shows the break-up of government imports since 1956-57:

Imports on Government Account

(Rs. Crores)

	1956-57	1957-58	1958-59 (Apr.—Sept.)
1. Foodgrains	101·6	152·6	53·8
2. Capital equipment for Government projects	59·8	88·0	85·9
3. Iron and Steel	13·4	51·6	22·1
4. Railway stores	33·1	49·7	32·2
5. Communication stores (including ships)	25·3	23·4	5·6
6. Others	47·4	127·6	51·2
	280·6*	492·9	250·8

*Revised data show total Government imports at Rs. 291·3 crores.

There has been a substantial step-up in the imports of capital equipment for government projects, iron and steel and railway stores. The imports of capital equipment for government projects in the first half of 1958-59 were almost equal to the annual total in 1957-58; those of railway stores about twice the rate in 1956-57.

31. The impact of development on imports and the effectiveness of the restrictive import policy followed since 1957 can be seen from the table below:

(Rs. Crores)

Imports	1955-56	1956-57	1957-58 1st half	1957-58 2nd half	1957-58	1958-59 1st half
A. *Non-Developmental*	*203·6*	*334·4*	*240·5*	*204·4*	*445·0*	*171·4*
Food	28·9	101·6	88·1	64·5	152·6	53·8
Other consumer goods	122·7	147·5	65·1	52·6	117·8	38·8
Others	52·0	85·3	87·3	87·3	174·6	78·8
B. *Raw materials and Intermediate goods.*	*322·5*	*413·0*	*204·1*	*159·9*	*364·0*	*156·9*
Raw materials and produce	172·5	172·5	74·7	59·1	133·8	70·1
Intermediate goods	150·0	240·5	129·4	100·8	230·2	86·6
Of which : Iron and steel :						
Private	58·3	119·4	52·9	29·8	82·7	21·2
Government	12·1	13·4	20·8	30·8	51·6	22·1
C. *Capital goods*	*219·8*	*329·2*	*177·8*	*188·2*	*366·0*	*197·8*
Privat	153·4	211·0	109·3	95·6	204·9	74·1
Government	66·4	118·2	68·5	92·6	161·1	123·7
D. GRAND TOTAL	745·9	1,076·5*	622·3	552·6	1,174·8	526·0

*The revised total is Rs. 1,095·6 crores, but break-up corresponding to it is not yet available.

32. Imports rose in 1956-57 largely under the impact of development, though non-developmental imports also contributed to the increase. Of the increase of about Rs. 330 crores in total imports, roughly two-thirds was on account of 'raw materials and intermediate goods' and capital goods; the former increased by about Rs. 90 crores while the latter rose by Rs. 109 crores. Non-developmental imports increased by about Rs. 130 crores, over half of which was accounted for by food imports. The increase under 'raw materials and intermediate goods' was mainly on account of large increase in the import of iron and steel on private account. The increase in the imports of capital goods was shared more or less evenly by the private and the public sectors.

33. Imports in 1957-58 increased further by about Rs. 100 crores in the aggregate: of this, Rs. 37 crores represented an increase in imports of capital goods. Raw materials, intermediate products and consumer goods declined by about Rs. 80 crores. Food imports, on the other hand, were higher by about Rs. 50 crores. Other non-developmental imports rose by about Rs. 90 crores. The imports of the group 'raw materials and intermediate goods' were reduced mainly by cutting down on raw materials. The imports of intermediate goods declined only slightly because as against the reduction in the private imports of iron and steel, there was an increase in imports on government account. Thus the total availability of iron and steel remained more or less the same in these two years and there was a slight reduction in the imports of other intermediate goods.

34. In the first half of 1958-59 there has been a substantial decline in non-developmental imports. At Rs. 171 crores they were about Rs. 70 crores lower than those for the first half of 1957-58 and about Rs. 30 crores smaller than those for the second half of 1957-58. The decline was due to lower food imports and lower consumer goods imports as compared to the two halves of 1957-58. The decline in consumer goods imports indicates the effectiveness of restrictive import policy since the beginning of the year 1957. The rate of imports of raw materials was substantially higher than in the second half of 1957-58 and almost the same as in the first half of 1957-58. This liberalisation came after the strict licensing policy during July—September, 1957 which had led to a decline in the stocks of imported raw materials with industries, accumulated earlier. Intermediate goods, however, have shown a decline mainly because of the falling imports of iron and steel on private account. Private imports of iron and steel in the first half of 1958-59 were only 40 per cent. of the level in the first half of 1957-58. Capital goods, on the other hand, have maintained the upward trend, government imports rising as private imports declined.

35. On the side of exports, there has been a setback. In 1957-58, the earnings from exports were Rs. 595 crores, *i.e.*, about 6 per cent. lower than in 1956-57. During the first half of 1958-59, exports amounted to Rs. 253·5 crores as compared to Rs. 267·1 crores in the corresponding part of 1957-58, *i.e.*, a decline of about 5 per cent. While the exports of tea (Rs. 48·9 crores) were about Rs. 10·5 crores better than in the first half of the previous year, and those of cotton raw and waste were also larger by about Rs. 3 crores, those of several other items went down sharply. The exports of cotton manufactures were lower by Rs. 10·3 crores; of jute manufactures by Rs. 2·4 crores; of hides and skins by Rs. 2·1 crores; of manganese ore by Rs. 4·8 crores. In the case of textiles, there was increasing competition from Hongkong, Japan and China, and the world trade in textiles has been shrinking. The recessionary conditions in the U.S.A. and parts of Western Europe were also a factor in the

reduction of export earnings. In recent months, there has been some improvement—partly seasonal—in exports. The various measures taken recently for export promotion may begin to yield some results in the coming months. However, the overall picture for 1958-59 is not likely to be very different from that in the previous year. It must be stressed in this context that the process of cutting down imports beyond a certain point has its dangers, and the requisite balance in external account can be achieved only if exports contribute to it materially.

VII *Economic Policy and Measures*

36. While, as stated earlier, the principal objective of policy in the context of developmental planning has been to ensure, as far as possible, the implementation of the Plan to the full, the emergence of inflationary pressures and of balance of payments deficits has, since almost the commencement of the Second Plan, necessitated the adoption of measures to diminish and correct the imbalance between the resources available and the demands on them. Fiscal policy has been directed towards the raising of more resources; monetary policy has aimed at preventing speculative holding of stocks, while permitting—and, within limits, encouraging—expansion in genuine investment; commercial and foreign exchange policy has sought to limit imports and encourage exports; and the plan outlays have been kept under continuous review. The various measures taken in the course of 1957-58—the substantial step up in taxes, the increase in the bank rate, the progressive tightening of import controls, etc. —were outlined in the last year's Economic Survey. The financial and economic policies of 1958-59 have been, by and large, a continuation of those initiated in the previous year.

37. The Central budget for 1958-59 made only a few adjustments in the tax structure; the gift tax was imposed, the Estate Duty Act was amended with a view to bringing about a better integration of the tax system, certain excise and export duties were modified, the scheme of compulsory deposit of company reserves was suspended, and the development rebate for ships increased. The accumulation of stocks with the cotton textile industry led to further reduction in the excise duty and a rationalisation of the structure of cloth excise during the year. Government also levied an additional excise duty on certain categories of mineral oils equivalent to the reductions in prices negotiated with the principal oil distributing companies in the country.

38. The monetary policy of the Reserve Bank has been one of permitting judicious and limited expansion of bank credit. While credit facilities to co-operative banks have been expanded, the regulation of advances has been continued with a view to keeping a check on price rises, especially of foodgrains, and the stress in open market policy has shifted from purchases to sales.

39. Import policy has kept up the rigour of the previous year. For the period April-September, 1958, licenses issued amounted to Rs. 323 crores, that is, less than half the value of licenses issued in the first six months of 1956. Imports of consumer goods have been cut drastically, and the licenses for raw materials and intermediate goods have been given on the basis of estimated "maintenance requirement"—not always to the level of full capacity operation—of industries. The issue of capital goods licenses has also been reduced through application of strict criteria of essentiality

and foreign exchange saving. This has resulted in a substantial reduction in the licenses outstanding with the private sector. For encouraging exports, a number of fiscal and other incentives have been given; drawbacks of excise and import duties have been simplified, export duties reduced or abolished, export quotas increased and foreign exchange facilities, linked to export performance, have been granted for import of certain essential materials.

40. With the continuing drawals on the limited foreign exchange reserves in the early part of the year and the large payments falling due in the course of the year, the need for securing adequate external assistance assumed urgency towards the middle of the year. With the offer of about Rs. 172 crores of assistance by a number of countries as a result of the conference held in August last under the auspices of the International Bank and the authorisation of P.L. 480 assistance amounting to about Rs. 114 crores from the United States, the immediate needs of the economy have been met. Further assistance will be required to complete the core of the Plan, and efforts are being made to secure this.

41. The actuals of budgetary receipts and expenditure for 1957-58 and the revised estimates for 1958-59 are being presented separately. It is evident that internal resources have also not been coming up to the levels required. Although it has now been decided to limit the Plan outlay to Rs. 4,500 crores over the five-year period, it will be still imperative in the coming years to continue unabated the effort to raise domestic savings and to increase productivity.

42. Two main—and not mutually unconnected—considerations governing policy need emphasis in this context. First, price stability has to be maintained; and second, exports have to be stepped up to the best extent possible. The rise in wholesale prices since the Second Plan began has been of the order of 15 per cent, in spite of substantial import surpluses. Although it must be recognised that some rise in prices is inevitable in a developing country, and the rise that has occurred is in part due to special factors such as the shortfall in agricultural production in 1957-58, relative price stability is vital for orderly development. Basically, of course, the answer to the problem is a substantial increase in production, especially food production. But to the extent that the emergence of inflationary pressures is unavoidable in the course of implementation of development plans, there is need for curbs and countervailing action at various points.

43. The problem of increasing exports is a difficult one in the short period. Various steps towards export promotion have been initiated already, and continuing effort in this direction will be necessary. Here again, an increase in production is of primary importance. But no less important is the need to keep down prices and costs. In so far as domestic consumption comes in the way of an export surplus materialising, it has to be kept under check and the necessary sacrifice has to be made. But it has also to be borne in mind that mere reduction in domestic consumption does not help, if the surplus cannot be sold abroad at competitive prices. Price stability and a vigilant watch on costs are thus essential as much on considerations of internal as of external finance and viability. The fact that development calls for a progressive stepping up of investment over a fairly long period only highlights the importance of these considerations.

VIII *The Outlook*

44. **On** the whole, the picture that emerges from the foregoing paragraphs is one of an economy which has moved, over the last twelve months and more, towards, but not yet sufficiently near, the goal of achieving a balance both internally and externally. The rise in aggregate investment in the year that is about to close will have been relatively small; while public investment is expected to be more than in the previous year, private investment will probably have been lower. Although the rise in prices during the year has been confined mainly to foodgrains which suffered a sharp reduction in output, the fact, nevertheless, remains that the rate of increase in aggregate output has slowed down. The relative improvement in the balance of payments in the latter part of the year has been due partly to the restrictive import policy and partly to the availability of external assistance in larger measure.

45. The monetary trends reviewed earlier indicate that the expansion in money supply and in bank credit has been under control and there are signs of slack in certain sectors of the economy as evidenced by under-utilised capacity in cloth and cement. Inflationary pressures in the economy at the present moment can hardly be said to be strong. But it would also be wrong to suggest that the problem of inflationary pressures has been mastered. Basically, the problem still remains—and will for long remain—one of sustaining a high rate of investment in the economy without generating excessive inflationary pressures and causing an undue strain on the balance of payments. Progress consistent with stability towards the higher levels of investment envisaged in the Plan is thus possible only through steady increases in savings and continued exercise of discipline in the fiscal, monetary and foreign exchange fields.

46. The step-up in net capital formation at the Centre—including that in the States financed from grants and loans from the Centre—is shown in Table 6·1 at the end. In presenting the table, changes in stocks held by the Centre and the States have been taken into account (unlike in the table given in the Economic Survey last year). The budgetary allocation for net capital formation in 1958-59 works out at Rs. 791 crores as compared to the revised estimates of Rs. 723 crores in 1957-58 and Rs. 511 crores in 1956-57. It is difficult to present any precise estimate of the trend in investment in the private sector as a whole. In organised manufacturing industries, investment including replacement and modernisation is estimated to have been Rs. 150 crores in 1956-57 and Rs. 185-190 crores in 1957-58. In the iron and steel industry alone, investment in 1957-58 was about Rs. 68 crores. Indications are that in 1958-59 investment in manufacturing industries recorded a set back partly because of foreign exchange difficulties.

47. In the coming year there is to be a further step-up in public investment in pursuance of the Plan. Private investment has, as mentioned above, shown a tendency to decline and an early reversal of this trend seems unlikely. In the aggregate, the increase in investment in the economy in the coming year might well be small. Investment activity, it would appear, is levelling off in contrast with the sharply ascending trend observed since 1955-56.

48. Foodgrains production in this kharif season has been markedly better than in the corresponding season of 1957-58. The rice crop this year is expected to exceed 30 million tons. This should mean an improvement of about 5½ million tons as compared to 1957-58. The prospects for the rabi crop are reasonably good. Industrial production in certain lines is also expected to show improvement. The output of steel will increase by about half a million tons as a result of the completion of the expansion programme in the private sector. The recent increases in installed capacity in a number of industries, such as chemicals and fertilisers, should also help in securing increased production. On the other hand, the tightness of foreign exchange will continue to operate as a restraining factor. While the position regarding total availability of goods in the economy might thus be better than in the current year, no material reduction in the pressure of demands for domestic consumption and investment can be expected; and, there is, in addition, the need to raise exports.

49. It follows from this analysis that a close watch on inflationary pressures, a cautious credit policy, maximum effort to increase production and promote savings, and continued vigilance on the foreign exchange front, coupled with a drive to raise exports and to secure the balance of external assistance required for completing the Plan will continue to be necessary in the coming year.

IX *The Plan*

50. Reference was made in the last year's Economic Survey to the problem of adjustments, in view of the strain on resources, in the Second Five Year Plan. A memorandum on the subject prepared by the Planning Commission was considered by the National Development Council in May, 1958, and it was decided that the total outlay for the five year period, in terms of which commitments could be entered into, should be limited to Rs. 4,500 crores as compared to the outlay of Rs. 4,800 crores that was initially envisaged. Plan outlays at the Centre and in the States for 1959-60 have been decided upon in the light of this revised five-year ceiling. A document on "Plan Outlay and Resources" giving an assessment by the Planning Commission of the position as it emerged on a further review in November, 1958 is being released shortly.

51. Outlays in the first three years of the Plan are estimated as follows:

Plan Outlays, 1956-57 to 1958-59

(In Rs. crores)

	Centre	States	Total
1956-57 (actuals)	342	297	639
1957-58 (expected)	500	346	846
1958-59 (expected)	582	399	981
TOTAL	1,424	1,042	2,466

This leaves a balance of Rs. 2,034 crores of outlay to be incurred in the next two years. There has been, in each of the three years, a shortfall in actual outlay as compared to the budgetary provision. Taking this into account, and the fact that the expenditure on the steel projects in

the public sector is to reach the peak in the coming year, the total of plan allocations for the Centre and the States for 1959-60 has been fixed at about Rs. 1,092 crores.

52. A substantial tax effort has been made over the last three years. The yield of additional taxation undertaken over the three years at the Centre and in the States is expected to aggregate to about Rs. 900 crores over the five year period. Market borrowings which suffered a setback in 1957-58 registered a striking improvement in 1958-59 as stated earlier. Small savings have also been doing better. The net collections up to January, 1959 were Rs. 47·1 crores, i.e. Rs. 9·3 crores more than for the same period in 1957-58. The amount of external assistance coming into the budget has also gone up year by year. Nevertheless, the budgetary deficit over the three years is estimated at about Rs. 950 crores. The deficit in 1957-58 was exceptionally heavy, and although 1958-59 is expected to show a relative improvement, it is evident that the resources position vis-a-vis the requirements of the Plan is difficult. It is true, of course, that the size of the budgetary deficit in any particular year is not necessarily a measure of the inflationary impact of all governmental operations on the economy in that year, especially as there is a time lag between the contractionist effect on the economy of the sales of the commodities thus obtained and the budgetary accounting of the receipts. Nevertheless, it is clear that creation of money incomes ahead of increases in production has to be kept down to the unavoidable minimum, especially as the foreign exchange reserves have fallen to a low level.

53. Public revenues have increased significantly over the last three years, partly as a result of the tax measures adopted and partly in consequence of the rise in money incomes. The proportion of public revenues to national income has gone up from 9·1 per cent in 1956-57 to about 10·1 per cent, but this rise has been absorbed, more or less by the increase in non-development expenditures. In consequence, the reliance on borrowing from the public, from the banking system and from abroad for financing the Plan has tended to increase.

54. The sterling balances held by the Reserve Bank declined by Rs. 540 crores over the first three years of the Plan, despite the accommodation of Rs. 95 crores received from the International Monetary Fund and an acceleration of the pension payments by the U.K. which brought in Rs. 35 crores. The total of external assistance authorised up to the end of January, 1959 comes to Rs. 1,018 crores. This includes the assistance made available as a result of the August Conference in Washington to which reference was made earlier. There was, in addition, a carry-over of Rs. 193 crores of assistance authorised during the First Plan period. Of this total of Rs. 1,211 crores, Rs. 479 crores was utilised between April 1956 and September 1958. Table 5·6 at the end gives the details regarding external assistance authorised and utilised. The implementation of the Plan will, on present estimates, have involved external assistance of the order of Rs. 1,500 crores, despite the large draft on foreign exchange reserves. In other words, of the total investment, public and private,—which may turn out to be about the level of Rs. 6,200 crores envisaged in the Plan—over the Plan period, as much as one-third would be accounted for by external assistance and the utilisation of past savings in the form of foreign exchange reserves.

55. There has been marked and continuous stepping up of investment over the last two years. During the First Plan, investment in the economy was stepped up from 5 per cent to about 7 per cent of national income, and there has been since then a progressive increase in investment to a level of between 10 and 11 per cent of national income. Some of the investments undertaken under the two Plans have begun to bear fruit. Several others are in advanced stages of construction. The production potential of the economy is thus being strengthened year by year. While it cannot yet be said that the economy has crossed the threshold to self-sustaining growth, a good beginning has been made. Despite the cut in Plan outlays mentioned earlier, the priority given in the Plan to industrial, mining and transport projects has been maintained, and the aggregate expenditure on these projects will be larger than was originally envisaged. Agricultural programmes are also being strengthened, especially in respect of schemes calculated to increase production in the immediate future.

56. The National Development Council took two important decisions in November last: (i) to reorientate and expand the co-operative movement on the basis of the multi-purpose village society as the primary unit; and (ii) to extend State trading to wholesale transactions in foodgrains. The broad lines along which these decisions are to be implemented have been worked out. Detailed discussions with the State Governments are to commence shortly. These institutional changes are means to an end; the end is to increase production, to raise savings, to maintain price stability and to promote and facilitate, through organisational changes, active participation of the people in developmental activity all over the country.

57. The Second Plan has still to run for two more years. The mobilisation of resources, both internal and external, will call for continuing effort in this period and will, in fact, have to be accelerated further if the Third Five Year Plan is to be, as it should, a decisive step forward towards the goals envisaged.

CHARTS AND TABLES

THE COVERAGE OF THE TABLES ATTACHED TO THE ECONOMIC SURVEY HAS BEEN ENLARGED AS FROM THIS YEAR TO INCLUDE THE BULK OF THE STATISTICAL INFORMATION WHICH USED TO BE GIVEN HITHERTO IN SECTION IV OF THE EXPLANATORY MEMORANDUM

A. CHARTS

1. Indices of Agricultural Production
2. Index Numbers of Industrial Production
3. Prices
4. Monetary Indicators
5. Balance of Payments

B. TABLES

1. *Production*

1·1 Index Numbers of Agricultural Production

1·2 Agricultural Production and Plan Targets

1·3 Availability of Cereals and Pulses

1·4 Index Numbers of Industrial Production

1·5 Industrial Production

1·6 Generation and Distribution of Electricity

2. *Employment*

2·1 Employment Exchange Statistics

3. *Monetary Trends*

3·1 Money Supply with the Public and Related Monetary Data

3·2 Factors Responsible for Variations in Money Supply

3·3 Cheque Clearances and Call Money Rates

3·4 Index Numbers of Security Prices—All India

4. *Prices*

4·1 Index Numbers of Wholesale Prices

4·2 Index Numbers of Wholesale Prices—Selected Months

4·3 Working Class Consumer Price Index Numbers

5. *Balance of Payments*

5·1 India's Balance of Payments

5·2 Category-wise Breakdown of Private Imports

5·3 Category-wise Breakdown of Exports

5·4 Regional Pattern of India's Balance of Payments

5·5 Index Numbers of Quantum and Value per Unit of Imports and Exports

5·6 External Assistance—Authorised and Utilised

6. *Capital Formation*

6·1 Net Capital Formation out of the Budgetary Resources of the Central Government

1·1: INDEX NUMBERS OF AGRICULTURAL PRODUCTION

(Crop year ending June 1950=100)

	1953-54	1954-55	1955-56	1956-57*	1957-58*
Cereals (1)	*120·1*	*114·5*	*114·9*	*119·9*	*108·3*
Rice	118·6	105·8	114·2	119·1	104·5
Wheat	120·0	135·4	131·3	141·6	116·4
Pulses (2)	*112·0*	*118·5*	*118·4*	*124·5*	*100·9*
Oilseeds (3)	*103·7*	*122·6*	*108·6*	*118·9*	*112·3*
Groundnut	100·3	123·6	112·4	124·2	126·3
Castorseed	80·5	95·4	96·1	96·9	75·8
Fibres (4)	*132·1*	*140·4*	*149·7*	*171·4*	*167·2*
Cotton	151·8	163·6	153·9	182·2	182·9
Jute	100·0	94·8	135·8	138·7	132·3
Plantation crops	*104·0*	*113·2*	*113·6*	*120·6*	*121·8*
Tea	100·6	110·4	108·8	114·1	115·0
Coffee	146·5	151·8	176·3	216·3	221·1
Rubber	131·8	127·6	146·1	143·9	145·9
Miscellaneous (5)	*97·4*	*115·8*	*120·1*	*128·0*	*123·1*
Sugarcane	89·5	115·9	119·8	135·3	127·6
Tobacco	101·5	95·1	112·9	115·9	108·7
General Index	*114·3*	*117·0*	*116·9*	*123·8*	*113·4*

(1) Rice, Jowar, Bajra, Maize, Ragi, Small Millets, Wheat and Barley
(2) Gram, Tur and other Pulses
(3) Groundnut, Sesamum, Rape and Mustard, Linseed and Castorseed
(4) Cotton, Jute and Mesta
(5) Sugarcane, Tobacco, Potato, Pepper, Chillies and Ginger
*Provisional

1·2: AGRICULTURAL PRODUCTION AND PLAN TARGETS

(In million tons unless otherwise indicated)

	Production					Targets of Production	
	1953-54	1954-55	1955-56	1956-57*	1957-58**	1st Plan	2nd Plan
A. Foodgrains	68·72	66·96	65·79	68·75	62·03	61·6	80·5
(*a*) Cereals	58·27	56·18	54·92	57·25	52·81	52·5	68·0
(*i*) Rice	27·77	24·82	27·12	28·28	24·82	27·2	32·0
(*ii*) Wheat	7·89	8·90	8·62	9·31	7·65	8·3	11·5
(*iii*) Other cereals	22·61	22·46	19·18	19·66	20·34	17·0	24·5
(*b*) Pulses	10·45	10·78	10·87	11·50	9·22	9·1	12·5
B. Non-foodgrains							
(*a*) Total oilseeds	5·29	6·30	5·64	6·18	5·91	5·5	7·6
(*i*) Groundnut	3·39	4·18	3·80	4·20	4·27	..	5·1
(*ii*) Castorseed	0·10	0·12	0·12	0·12	0·10	..	0·17
(*b*) Sugarcane (in terms of gur)	4·42	5·78	5·98	6·75	6·48	6·3	7·8
(*c*) Cotton (million bales)†	3·94	4·25	4·00	4·74	4·75	4·2	6·5
(*d*) Jute (million bales)‡	3·09	2·93	4·20	4·29	4·09	5·4	5·5

* Partially Revised Estimates

**Final Estimates

†Bale=392 lbs.

‡Bale=400 lbs.

1·3: AVAILABILITY OF CEREALS AND PULSES

Year	Cereals						Pulses	Population (Mid-year) (Millions)	Per Capita net availability (in ozs. per day)	
	Production (M. tons)		Imports (M. tons)	Change in stocks (M. tons)	Exports (M. tons)	Net availability (M. tons)	Net availability (M. tons)			
	Gross	Net							Cereals	Pulses
1953	49·22	43·07	2·00	+0·45	Nil	45·52	7·91	372·3	12·0	2·1
1954	58·27	50·99	0·81	—0·17	0·01	51·62	9·14	377·1	13·4	2·4
1955	56·18	49·16	0·70	+0·73	0·11	50·48	9·43	382·4	13·0	2·4
1956	54·92	48·05	1·42	+0·62	0·04	50·05	9·51	387·4	12·6	2·4
1957	57·25	50·09	3·58	—0·82	Nil	52·85	10·07	392·4	13·2	2·5
1958	52·81	46·21	3·17	+0·27	Nil	49·65	8·06	397·4*	12·3	2·0

*Estimated

NOTE :— Production figures relate to the agriculture year ending June

1·4: INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(1951=100)

	1955	1956	1957	1958 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.
General Index	122·4	132·6	137·3	145·1	145·2	137·9	140·2	141·6	129·2	148·2	145·0	153·1	141·2
Mininig and Quarrying	111·7	115·0	126·8	136·1	142·1	128·6	135·7	135·4	127·9	129·7	122·5	137·3	133·3
Food Manufacturing*	121·9	131·0	141·3	160·1	154·4	161·8	155·9	167·6	107·4	214·8	218·7	229·3	196·8
Cotton Textile	111·9	117·5	115·6	112·2	112·1	105·4	108·1	108·4	102·4	109·6	106·6	111·7	113·4
Jute Textile	118·9	127·3	120·5	133·8	128·8	116·0	124·2	129·9	116·5	123·1	117·6	124·5	114·7
Footwear (leather)	97·1	114·3	129·6	148·6	144·5	124·7	140·3	128·8	126·1	147·0	130·3	150·6	96·5
Plywood	156·0	175·2	178·8	185·7	184·0	169·8	175·8	181·9	171·7	173·2	162·6	198·0	174·0
Paper and paper board	140·2	146·6	159·3	184·5	180·0	184·7	183·7	193·6	176·8	193·2	191·4	202·6	204·4
Tanned Hide	89·5	93·9	93·8	106·6	113·2	100·3	94·0	102·0	97·7	105·0	111·8	119·5	108·3
Rubber Products	140·2	151·6	165·5	198·3	186·2	167·6	184·0	192·7	178·3	195·9	178·0	191·7	84·7
Chemicals and Chemical Products	159·0	171·1	181·3	195·9	202·7	193·9	193·5	208·5	203·5	206·6	201·8	207·8	204·3
Glass and Glassware	127·8	148·7	162·3	204·0	200·4	188·2	194·9	180·0	174·4	185·8	179·8	196·4	186·8
Cement	140·4	154·2	175·3	219·0	201·9	213·0	205·3	196·3	189·9	175·9	175·8	183·8	154·4
Ceramics	127·5	156·1	174·0	202·1	206·0	199·4	197·7	203·9	203·7	195·4	192·0	193·4	113·3
Asbestos	127·5	146·8	193·9	233·1	225·0	216·0	212·9	216·0	215·9	226·0	226·0	239·4	233·3
Iron and Steel	113·3	119·4	119·3	123·5	128·6	121·8	123·3	93·8	109·9	120·3	119·7	122·4	116·9
Non-ferrous metal	123·7	124·7	151·7	130·3	177·3	167·6	162·6	174·3	176·1	173·1	173·3	176·6	160·9

Metal Products‡	202·4	223·3	225·2	231·6	226·4	171·0	229·2	225·3	195·9	239·0	201·8	221·9	199·8
Machinery†	163·9	215·0	296·2	371·0	376·5	346·3	329·9	346·4	327·8	365·7	347·5	376·9	328·9
Electrical Machines, Apparatus, Appliances and Supplies . .	157·8	210·3	246·7	252·7	269·8	265·2	265·1	263·5	263·9	291·0	262·4	283·4	239·6
Transport Equipment . . .	129·3	178·7	186·6	194·2	193·9	204·0	144·7	147·1	148·2	135·3	179·1	184·7	191·8
Electricity Generated . . .	144·5	164·1	184·9	195·1	203·3	193·4	206·8	208·5	209·5	211·0	208·5	218·1	219·2

*Except beverages

‡Except machinery and transport equipment

†Except Electrical

1·5: INDUSTRIAL PRODUCTION

	Unit	1957				1958			
		1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Diesel Engine@	Nos. '000	3·2	4·2	4·3	5·1	5·8	5·6	6·8	7·5
Machine Tools	Lakh Rs.	50·9	55·9	69·7	75·3	117·2	77·2	85·1	85·3*
Grinding Wheel	'000 lbs.	865·5	897·4	749·7	719·6	649·8	652·2	690·9	719·5
Twist Drill	Nos. '000	404·1	446·3	762·0	646·0	615·9	323·8	323·3	269·2
Power Transformer	'000 K.V.A.	297·1	270·9	328·8	322·8	311·9	258·2	294·1	253·1*
Power Driven Pump	Nos. '000	14·5	14·9	15·2	17·4	18·7	20·1	21·0	17·9
Electric Motor	'000 H.P.	104·3	107·9	126·9	130·2	141·9	149·1	173·9	152·1*
Dry Battery	Nos. Lakhs	458·1	398·7	456·0	352·2	368·5	417·5	438·3	458·2
Strong Battery	Nos. '000	82·2	79·0	80·3	81·6	81·0	87·4	89·4	97·1
Conduit Pipe	'000 Rft.	2999	2699	2053	2483	2255	2568	2415	**
Automobile	Nos. '000	9·4	7·3	7·9	7·4	7·6	5·0	6·8	7·4
Electricity	Million kwh.	2549	2726	2770	2791	2849	3043	3140	3166*
Copper (Virgin Metal	'000 tons	1·8	2·0	1·9	2·0	1·7	2·0	2·1	2·1
Antimony	tons	116	99	148	139	124	146	139	118
Aiuminium (Virgin Metal)	'000 tons	1·91	1·89	2·00	1·97	2·01	2·04	2·09	2·03*
Coal	Lakh tons	108	109	103	115	114	112	111	N.A.
Cement	'000 tons	1378	1279	1317	1608	1669	1572	1438	1390
Refractories	'000 tons	85·0	88·1	93·8	97·8	107·1	105·8	107·0	109·0*
Pig Iron	'000 tons	486	449	434	472	483	452	532	N.A.
Finished Steel	'000 tons	347	324	336	340	341	296	330	328
Sulphuric Acid	'000 tons	42·4	46·8	51·8	50·9	54·1	52·8	60·6	58·3*
Soda Ash	'000 tons	24·2	22·6	21·3	23·9	25·3	20·6	18·6	24·8
Ammonium Sulphate	'000 tons	100·3	84·7	93·9	104·1	100·8	90·2	90··6	100·0*
Superphosphates	'000 tons	26·2	36·9	44·2	34·3	37·6	40·7	49·5	38·2*
Caustic Soda	'000 tons	11·1	10·2	10·1	11·2	12·1	13·9	15·5	15·4*
Bleaching Powder	'000 tons	1·4	1·1	1·5	1·3	1·6	1·3	1·7	1·9
Liquid Chlorine	'000 tons	4·1	3·6	3·8	3·9	3·9	4·3	5·1	6·4*
Jute Textile	'000 tons	253·7	254·2	253·8	267·3	268·9	265·3	262·3	265·3

Cotton Yarn	Million lbs.	450·0	440·7	445·1	435·0	420·0	398·8	429·0	435·6
Paper	'000 tons	51·2	51·0	51·1	57·3	59·6	60·8	65·1	66·2*
Plywood	Million sq. ft.	33·9	33·2	29·1	28·9	31·4	31·2	32·4	27·0
Asbestos	'000 tons	39·6	36·1	39·5	42·5	45·8	44·8	48·1	47·2
Sheet Glass	Million sq. ft.	14·2	7·6	11·8	19·9	20·8	15·5	17·5	18·9*
Paint	'000 tons	10·2	10·3	8·6	11·8	11·6	13·4	10·8	11·9
Tammed Hide	'000 Nos.	713·2	599·6	530·3	579·7	715·7	673·6	729·0	686·2*
Rayon Yarn	'000 tons	4·6	4·9	5·0	4·6	6·1	7·1	7·4	8·3
Rubber Tyre and Tube—									
Automobile	'000 Nos.	502·5	505·7	496·3	420·6	470·2	484·9	530·0	467·2
Bycycle	'000 Nos.	3569·3	3700·7	3678·7	3194·5	3990·5	4122·0	4369·0	3627·5
Tractor	'000 Nos.	20·7	24·8	26·7	20·5	18·7	12·8	14·6	13·9
Tea	Million lbs.	27·3	158·2	294·6	190·8	32·4	163·3	300·7	202·8*£
Cotton Cloth	Million Yds.	1372	1337	1323	1285	1234	1217	1238	1234
Vanaspati	'000 ton	81·5	77·8	65·0	76·9	80·4	78·6	78·6	66·8
Sugar	'000 tons	1093	469	10	479·9	1218·9	253·2	9·8	479·2
Footwear	Lakh Pairs	111	97	111	124	114	108	110	111
Sewing Machine	'000 Nos.	41·6	41·8	39·7	43·7	9·7	52·8	54·6	52·7
Electric Lamp	Lakh Nos.	85·5	83·4	84·2	78·6	76·4	73·9	76·8	71·1
Electric Fan	'000 Nos.	118·6	133·0	134·3	139·9	156·1	158·0	155·8	163·4
Radio Receiver	'000 Nos.	41·4	50·0	46·3	51·9	45·6	50·6	50·1	50·3
Bicycle	'000 Nos.	191·0	190·6	198·8	209·9	249·9	233·6	202·4	236·7*
Match	'000 Cases	147·8	141·2	139·2	145·4	139·2	159·8	167·4	147·1
Soap	'000 tons	29·1	27·8	27·4	28·4	28·2	28·7	32·5	33·0*
Domestic Refrigerators	Nos.	50	350	200	342	314	309	955	1342*

@Sationary type
**Available figures are incomplete
£Exclusive of the December output of South Indian tea
*November figures have been taken for December
N.A. =Not available.

1·6: GENERATION AND DISTRIBUTION OF ELECTRICITY

Monthly Average or Calendar months	Installed Capacity* ('000 kilowatts)	Electricity Generated (m. kwh.)	Units of electricity sold (in million Kwh.)					
			Domestic Consumption	Commercial Light & Small Power	Industrial Power	fraction	Irrigation & Agricultural dewaterin	Total
1955 . . .	2,695	716	68	40	383	34	22	577
1956 . . .	2,884	805	79	44	438	34	26	658
1957 . . .	2,886	906	86	48	489	35	34	732
1957—								
October . .		918	90	47	486	35	31	731
November . .		930	89	48	499	34	30	741
December . .		959	91	49	519	36	41	780
1958—								
January . . .		974	88	48	530	36	41	788
February . .		920	86	46	500	35	44	752
March . . .		969	90	48	529	34	46	792
April . . .		1004	92	48	542	35	47	811
May . . .		1,046	95	50	560	37	51	840
June . . .		1,014	94	52	529	33	57	811
July . . .		1,057	97	52	560	32	57	846
August . . .		1,041	98	52	552	34	49	832
September . .		1,054	99	53	557	34	55	843
October . .		1,073	99	54	575	42	52	570
November . .		1,050	100	54	568	46	56	870

*As on 31st December

† Includes others

2·1: EMPLOYMENT EXCHANGE STATISTICS

	Employment Exchanges at the end of the period	Registrations during the period	Vacancies Notified during the period	Placements during the period	Application on Live Registers at the end of the period
1955	136	1,584,024	280,523	169,735	691,958
1956	143	1,669,895	287,618	186,855	758,503
1957	181	1,774,668	297,188	192,831	922,099
1958	212	2,203,891	364,884	233,320	1,183,299
1957—					
January	143	135,225	23,939	14,573	775,154
February	150	111,491	20,157	12,827	774,811
March	152	111,216	22,646	13,071	747,341
April	152	145,438	27,469	15,814	753,537
May	153	148,035	30,538	17,271	782,933
June	156	141,499	25,122	17,369	779,478
July	158	180,135	25,261	19,394	815,716
August	160	159,826	23,798	18,052	828,693
September	160	160,681	24,275	16,805	861,571
October	170	138,788	22,902	14,389	865,788
November	172	173,529	26,675	17,641	886,283
December	181	168,797	24,400	15,625	922,099
1958—					
January	181	168,221	25,864	17,042	939,731
February	187	134,523	24,084	16,523	944,980
March	197	147,713	29,989	17,482	931,749
April	198	158,712	36,318	19,736	936,263
May	200	178,842	35,629	20,530	963,345
June	200	194,869	29,144	18,945	1,001,573
July	202	240,895	30,651	21,667	1,083,126
August	204	207,731	30,941	20,994	1,128,741
September	204	198,976	31,534	20,210	1,153,900
October	208	192,365	31,113	20,243	1,164,369
November	211	168,080	29,027	18,911	1,159,031
December	212	212,961	30,590	21,037	1,183,299

3·1: MONEY SUPPLY WITH THE PUBLIC AND RELATED MONETARY DATA*

(Amounts in crores of Rs.)

	Last Friday of				Variations during		
	1958	1957	1956	1955	1958	1957	1956
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
I. MONEY SUPPLY—							
1 Currency with the Public	1606·30	1526·17	1485·34	1385·89	+80·13	+40·83	+99·45
2 Demand Liabilities (net) of banks	726·16	732·24	681·35	650·14	—6·08	+50·89	+31·21
3 'Other deposits' with RBI	17·38	16·51	11·96	11·14	+0·87	+4·55	+0·82
4 Money Supply with the Public (1+2+3)	2349·84	2274·92	2178·65	2047·17	+74·92	+96·27	+131·48
II. ALLIED DATA—							
A. Reserve Bank of India—							
1 Deposits of Central Government	55·88	53·54	57·24	54·01	+2·34	—3·70	+3·23
2 Deposits of State Governments	17·22	13·01	8·00	10·62	+4·21	+5·01	—2·62
3 Deposits of Banks	80·92	70·69	58·09	57·87	+10·23	+12·60	+0·22
4 Foreign Assets	188·85	297·65	529·91	735·18	—108·80	—232·26	—205·27
5 Rupee Securities	1461·82	1242·38	847·16	589·21	+219·44	+395·21	+257·95
6 Loans and Advances to Governments	23·97	35·03	7·27	3·66	—11·06	+27·76	+3·61
7 Other Loans and Advances	65·37	60·04	106·04	44·63	+5·33	—46·00	+61·41
8 Bills Purchased and Discounted	12·83	2·70	3·30	12·07	+10·13	—0·60	—8·77

B. Scheduled Banks—

9	Demand Liabilities (net)	693·96	701·82	643·57	615·60	—7·86	+58·25	+27·97
10	Time Liabilities (net)	879·66	665·69	457·16	412·62	+213·97	+208·53	+44·54
11.	Total Deposit Liabilities (net)	1573·62	1367·51	1100·73	1028·22	+206·11	+266·78	+72·51
12	Borrowings from the RBI	10·95	23·63	79·06	30·02	—12·68	—55·43	+49·04
13	Cash in India	43·32	39·63	38·55	39·33	+3·69	+1·08	—0·78
14	Balances with the RBI	76·01	67·88	51·98	60·88	+8·13	+15·90	—8·90
15	(13+14) as per cent. of (11)	7·58	7·86	8·22	9·75	—0·28	—0·36	—1·53
16	Investments in Government Securities	637·17	433·42	364·44	383·00	+203·75	+68·98	—18·56
17	(16) as per cent. of (11)	40·49	31·69	33·11	37·25	+8·80	—1·42	—4·14
18	Scheduled Bank Credit	865·61	857·10	788·43	635·62	+8·51	+68·67	+152·81
19	(18) as per cent. of (11)	55·01	62·68	71·63	61·82	—7·67	—8·95	+9·81

*Provisional

3·2: FACTORS RESPONSIBLE FOR VARIATIONS IN MONEY SUPPLY

(Rs. Crores)

	1958	1957	1956
I—Increase (+) in Government Indebtedness to Banks	+407·4	+477·1	+244·2
1 Increase (+) in Government indebtedness to the RBI	+201·8	+421·7	+261·0
(a) Decline (+) in Government Balances with RBI	(—6·5)	(—1·3)	(—0·6)
(b) Increase (+) in RBI holdings of Government Securities	(+219·4)	(+395·2)	(+258·0)
(c) Increase (+) in loans and advances granted to Governments by RBI	(—11·1)	(+27·8)	(—3 6)
2 Increase (+) in Government securities held by banks	+205·6	+55·4	—16·8
II—Increase (+) in Private Indebtedness to Banks	—195·4	—120·0	+118·9
1 Increase (+) in bank credit	+21·7	+78·8	+167·8
2 Decrease (+) in time liabilities of banks	—217·1	—198·8	—48·9
III—Increase (+) in Foreign Exchange Assets held by RBI	—108·8	—327·5†	—199·3
IV—Expansionary (+) impact of changes in other assets and liabilities of RBI and other banks	—28·3	+66·7	—32.3
V—Recorded increase (+) in money supply	+74·9	+96·3	+131·5

*Provisional estimates.

†Exclusive of dollar purchases (Rs. 95·2 crores) from the I.M.F.

3·3: CHEQUE CLEARANCES AND CALL MONEY RATES

Monthly average or Calendar months	Cheque clearance, All-India	Inter-bank call rates* per cent. per annum	
	(Rs. crores)	Bombay	Calcutta
1953	550·3	2¼	2-7/16
1954	588·7	2⅜	2-19/32
1955	651.6	2¾	2⅞
1956	703·4	3 3/16	3-10/16
1957	741·1	2¼—4¾	2⅞—5⅛
1958	797·3	1⅛—4-7/16	1 —4⅝
1957—			
October	589·7	2¼—4-7/16	3¾—4⅞
November	818·5	2¾—4-7/16	2⅞—5⅛
December	775·1	2-11/16—4-7/16	2¾—4½
1958—			
January	832·0	2¾—4⅛	2¾—4⅝
February	764·6	3 —4⅛	3 —4⅝
March	872·8	3 —4⅛	3¼—4½
April	791·6	3 —4-5/16	3¼—4⅝
May	791·2	3 —4-7/16	3⅜—4⅝
June	662·9	3 —4⅛	3⅜—4½
July	834·1	2¼—4⅛	3⅜—4½
August	754·0	2 3/16—3⅞	2 —4½
September	805·9	2 —3½	2 —4½
October	798·5	1⅜—3½	1⅛—4½
November	773·0	1-3/16—3 3/16	1 —4½
December	887·3	1⅛—3-3/16	1¾—4½

*Data prior to January, 1957 represent averages of Friday rates obtained from State Bank of India, Brokers and Exchange Bank Associations. Those from January, 1957 provide a range of interest rates for various types of deposits quoted by selected scheduled banks during the respective periods

3·4: INDEX NUMBERS OF SECURITY PRICES—ALL INDIA

Average of weeks ended Saturday	Government and semi-Government Securities	Debentures of Joint Stock Companies	Preference Shares	Variable Dividend Industrial Securities							
				Cotton Textiles	Jute Textiles	Iron & Steel	Coal	Cement	Sugar	Financial Institutions	Total
				Base 1949-50=100							
1955-56	90·9	100·8	87·3	118	95	154	81	164	105	90·3	121·6
1956-57	90·5	100·1	82·9	134	70	147	78	176	105	92·7	121·2
1957-58	89·3	98·1	74·5	105	52	119	67	141	95	93·3	100·3
				Base 1952-53=100							
1958—											
March . . .	98·6 (89·3)	98·9 (97·2)	85·7 (70·9)	113·1 (93·8)	59·0 (48·4)	122·7 (125·5)	91·7 (65·5)	121·7 (134·2)	156·5 (97·9)	162·3 (97·8)	124·2 (96·5)
April . . .	98·8 (89·5)	98·8 (97·2)	85·5 (70·4)	115·3 (95·5)	63·5 (51·9)	128·0 (131·0)	96·9 (64·9)	124·3 (138·3)	157·5 (98·4)	164·2 (97·9)	127·9 (98·8)
May . . .	98·9	99·0	85·3	112·4	64·3	127·1	98·0	123·8	155·3	162·4	127·2
June . . .	99·1	99·1	85·4	112·7	67·7	129·3	99·3	129·3	158·3	167·0	130·6
July . . .	99·2	99·2	85·9	119·6	73·5	138·1	101·6	139·1	162·7	171·3	136·7
August . . .	99·6	99·2	87·0	119·5	78·0	145·2	108·9	142·6	166·8	174·0	140·9
September . .	100·4	100·1	88·0	118·9	81·3	153·0	111·8	140·2	173·5	183·1	143·4
October . . .	100·5	100·3	88·1	115·7	84·6	155·1	114·3	131·2	173·1	184·1	142·9
November . .	100·4	100·4	88·2	112·6	90·9	155·4	112·7	124·8	172·2	182·0	142·0
December . .	100·5	101·0	88·0	109·2	88·7	149·3	108·5	119·1	164·5	179·2	137·7

NOTE :—Figures in brackets relate to the base year 1949-50=100

4·1: INDEX NUMBERS OF WHOLESALE PRICES

(Base 1952-53 = 100)

Average of weeks	Food Articles	Liquor and Tobacco	Fuel, Power, Light & Lubricants	Industrial Raw Materials	MANUFACTURES			ALL COMMODITIES
					Intermediate Products	Finished Products	Total Manufactures	
Financial Year								
1955-56	86·6	81·0	95·2	99·0	100·1	99·6	99·7	92·5
1956-57	102·3	84·2	104·2	116·0	110·9	105·6	106·3	105·3
1957-58	106·4	94·0	113·6	116·5	107·3	108·2	108·1	108·4
Calendar Year								
1955	85·4	82·3	95·2	97·3	97·6	99·7	99·4	91·5
1956	99·0	82·3	101·6	113·2	110·0	104·1	104·9	102·6
1957	106·8	91·8	111·5	118·1	108·5	107·9	108·0	108·7
1958	112·0	93·7	115·2	114·8	109·4	108·0	108·2	111·0
1957—								
January	103·6	88·0	105·8	120·3	113·0	107·7	108·4	107·3
February	104·1	87·1	106·7	117·6	110·9	106·9	107·4	106·9
March	102·3	87·2	106·5	117·3	108·9	105·8	106·2	105·6
April	104·3	88·0	107·7	116·7	108·3	105·9	106·2	106·5
May	107·0	90·6	110·2	120·4	109·3	107·3	107·6	109·0
June	109·4	92·3	112·0	121·4	108·9	108·3	108·6	110·7
July	111·3	93·7	114·2	121·6	108·6	108·9	108·8	111·9
August	112·1	92·1	115·0	120·1	108·2	108·8	108·7	112·0
September	108·5	93·7	115·0	115·4	107·3	109·0	108·7	109·5
October	107·3	95·2	115·2	114·8	106·5	109·2	108·8	108·9
November	107·9	96·5	115·3	116·0	106·0	108·9	108·5	109·3
December	104·0	97·7	114·9	115·4	105·7	108·2	107·9	107·1
1958—								
January	102·5	96·4	114·6	113·6	106·7	107·8	107·7	106·0
February	100·8	96·7	114·8	111·1	105·8	107·8	107·5	104·7
March	102·3	94·9	114·5	111·3	106·8	107·7	107·6	105·4
April	105·2	93·4	114·6	114·2	108·8	107·6	107·7	107·4
May	107·2	92·0	114·8	113·5	108·0	107·6	107·7	108·2
June	113·4	92·1	115·6	115·3	109·9	107·7	107·9	111·7
July	118·4	92·6	115·9	117·6	111·7	107·5	108·1	114·7
August	120·2	90·3	116·1	118·8	112·2	108·4	108·9	116·0
September	121·2	90·9	116·0	119·0	111·6	108·5	108·9	116·5
October	121·2	93·0	115·5	117·0	110·2	108·5	108·7	116·2
November	118·0	96·0	115·1	113·2	110·0	108·6	108·8	114·0
December	113·3	96·4	115·1	112·5	110·3	108·0	108·3	111·4
1959—								
January	114·3	103·5	114·8	114·1	110·5	108·0	108·4	112·3

4·2: INDEX NUMBERS OF WHOLESALE PRICES—SELECTED MONTHS

(Base 1952-53=100)

	May 1955	March 1956	May 1957	Aug. 1957	Dec. 1957	Mar. 1958	Dec. 1958	Jan. 1959
I.—*Food Articles*	82	93	107	112	104	102	113	114
(a) Cereals	67	87	103	106	98	95	105	105
Rice	74	86	106	111	102	100	98	92
Wheat	58	85	90	89	86	84	114	125
Jowar	52	102	126	122	109	94	104	107
Bajra	67	100	137	138	117	110	128	132
(b) Pulses	48	77	84	87	80	78	111	117
Gram	38	66	71	71	65	63	108	121
Other pulses	53	83	91	96	88	86	113	115
(c) Edible Oils	76	105	127	131	125	118	118	119
Groundnut Oil	66	99	109	107	102	100	100	102
Mustard Oil	91	125	168	179	163	144	137	139
(d) Sugar and Gur	82	91	102	110	109	111	121	127
(e) Others	156	120	124	136	132	128	153	151
Tea	218	139	168	174	157	152	160	163
II.—*Liquor and Tobacco*	84	79	91	92	98	95	96	104
III.—*Fuel, Power, Light and Lubricant*	96	97	110	115	115	115	115	115
IV.—*Industrial Raw Materials*	94	111	120	120	115	111	113	114
(a) Fibres	107	113	124	122	115	110	105	107
Raw Cotton	92	107	112	112	105	103	99	100
Raw Jute	127	122	142	134	129	120	110	112
(b) Oilseeds	72	106	125	126	119	113	122	124
Groundnuts	67	102	116	112	102	103	105	113
(c) Minerals	83	96	108	110	108	108	107	107
(d) Others	111	110	106	108	109	110	109	110

(*Contd. on next page*)

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	May 1955	March 1956	May 1957	Aug. 1957	Dec. 1957	Mar. 1958	Dec. 1958	Jan. 1959
V.—*Manufactures* .	99	103	108	109	108	108	108	108
A. *Intermediate Products* . . .	97	109	109	108	106	107	110	111
B. *Finished Products*	100	102	107	109	108	108	108	108
(a) Textiles . .	103	104	108	108	106	106	102	102
Cotton Mfrs. .	106	111	116	117	115	116	111	110
Jute Mfrs. .	99	95	98	97	93	86	85	85
(b) Metal Products	110	125	136	141	142	143	143	143
(c) Chemicals .	93	92	97	98	99	99	111	111
(d) Machinery & Transport Equipment . .	96	97	100	102	102	103	104	104
(e) Others . .	96	97	109	111	112	112	114	114
ALL COMMODITIES .	89	98	109	112	107	105	111	112

4.3: WORKING CLASS CONSUMER PRICE INDEX NUMBERS

(Base shifted to 1949 = 100)

Monthly average or Calendar months	Bombay	Ahmeda-bad	Calcutta	Madras	Kanpur	Delhi	Jamshed-pur	Jharia	Gauhati	All India All-items	All India Food
1955	110	87	92	99	78	99	98	77	87	96	92
1956	115	98	98	111	89	109	106	87	96	105	105
1957	120	104	105	116	94	114	115	99	103	111	112
1958	129	110	110	124	98	113	122	108*	103	116*	119*
1957—											
October	122	105	108	116	96	113	120	107	105	113	113
November	125	107	109	121	96	112	122	108	106	114	116
December	125	104	107	121	93	110	120	106	105	113	113
1958—											
January	124	102	105	120	91	109	120	105	103	111	112
February	124	100	104	120	89	108	118	104	103	110	110
March	124	102	105	119	89	108	119	104	102	110	110
April	127	105	105	119	91	107	118	104	100	111	112
May	126	106	106	120	93	108	119	104	101	113	113
June	129	110	107	121	98	111	120	103	103	116	118
July	133	115	112	125	101	116	122	109	103	119	122
August	132	116	115	126	103	117	125	113	106	120	124
September	132	117	116	127	104	117	131	113	109	121	125
October	132	117	116	130	108	119	130	113*	105	123	127
November	131	118	114	132	106	120	128	114*	103	122*	127
December	130	117	110	133	101	118	118	N.A.	99	119*	122

*Provisional

5·1: INDIA'S BALANCE OF PAYMENTS

(Rs. crores)

	1956-57	1957-58					1958-59		
	Total April-Mar. (Revised)	April-June	July-Sept.	Oct.-Dec.	Jan.-March.	Total 1957-58 (Preliminary)	April-June	July-Sept.	Total April-Sept. (Preliminary)
1. Imports c.i.f.	1095·6	323·1	299·1	288·6	264·0	1174·8	277·2	248·8	526·0
(*a*) Private	804·3	201·0	182·5	159·6	138·9	682·0	142·2	133·0	275·2
(*b*) Government	291·3	122·1	116·6	129·0	125·1	492·8	135·0	115·8	250·8
2. Exports	635·1	139·8*	127·3**	177·7	149·7	594·5	127·0	126·5	253·5
3. Trade Balance (1—2)	—460·5	—183·3	—171·8	—110·9	—114·3	—580·3	—150·2	—122·3	—272·5
4. Official donations (net)	44·7	5·0	1·5	16·4	6·3	29·2	13·6	10·8	24·4
5. Other Invisibles (net)	109·0	28·6	22·3	22·1	27·0	100·0	16·4	20·9	37·3
6. *Current Account (net)*	*—306·8*	*—149·7*	*—148·0*	*—72·4*	*—81·0*	*—451·1*	*—120·2*	*—90·6*	*—210·8*
7. Official Loans	60·1	9·7	18·2	30·3	28·9	87·1	44·7	50·8	95·5
8. Other Capital Transactions (net)	—24·6	38·5	5·1	0·4	21·2	65·2	24·2	—7·1	17·1
9. Drawings on I.M.F.	60·7	34·5	..	..	..	34·5	..	..	..
10. Errors and Omissions	—10·7	—7·7	23·7	—15·4	3·8	4·4	1·8	10·1	11·9
11. Movement in Foreign Exchange Reserves (Decrease +)	+221·3	+74·7	+101·0	+57·1	+27·1	+259·9	+49·5	+36·8	+86·3

*Excludes silver despatched to the USA valued at Rs. 64·8 crores
**Excludes silver despatched to the USA valued at Rs. 9·6 crores

5.2: CATEGORY-WISE BREAKDOWN OF PRIVATE IMPORTS**

(Rs. crores)

	Total 1955-56	April-June 1956	July-Sept. 1956	Oct.-Dec. 1956	Jan.-March 1957	Total 1956-57	April-June 1957	July-Sept. 1957	Oct.-Dec. 1957	Jan.-March 1958	Total 1957-58	April-June 1958	July-Sept. 1958	Total (April-Sept. 1958)
I. *Consumers Goods*	122·27	36·01	38·49	38·59	34·44	147·53	37·09	28·02	29·57	23·07	117·75	20·28	18·51	38·79
1. Food, drink and tobacco	34·42	9·05	10·58	10·42	8·99	39·04	9·09	5·29	6·91	6·41	27·70	4·38	4·23	8·61
2. Drugs and medicines	12·40	3·42	3·73	3·48	3·38	14·01	4·36	4·08	3·79	3·41	15·64	2·71	2·53	5·24
3. Cutlery and Hardware.	22·57	7·67	7·17	6·75	6·84	28·43	6·90	4·81	4·41	3·03	19·15	3·21	2·40	5·61
4. Electrical goods	18·57	5·83	5·73	7·21	6·05	23·82	7·03	6·34	7·10	4·28	24·75	5·01	3·89	8·90
5. Others	34·31*	10·04*	11·28	10·73	9·18	41·23	9·71	7·50	7·36	5·94	30·51	4·97	5·46	10·43
II. *Raw Materials and Produce*	172·52	46·21	40·73	46·13	39·45	172·52	40·03	34·64	28·49	30·61	133·77	38·35	31·73	70·08
1. Mineral oils	64·87	20·37	19·59	18·73	18·62	77·31	20·00	16·05	14·68	16·35	67·08	20·32	16·57	36·89
2. Cotton, raw and waste	57·60	14·08	10·59	14·14	9·41	48·22	6·07	7·03	2·37	3·71	19·18	9·15	5·00	14·15
3. Jute, raw and waste	18·31	2·03	1·84	2·76	1·23	7·86	1·52	1·63	2·54	0·75	6·44	1·32	0·53	1·85
4. Others	31·74	9·73	8·71	10·50	10·19	39·13	12·44	9·93	8·90	9·80	41·07	7·56	9·63	17·19
III. *Intermediate Goods*	133·73	52·90	55·81	59·54	50·14	218·39	49·97	49·37	37·69	28·21	165·24	29·37	28·18	57·55
1. Chemicals	21·83	7·31	7·13	7·90	6·64	28·98	5·63	6·18	5·20	4·81	21·82	4·76	5·92	10·68
2. Dyes and colours	15·62	3·75	3·90	3·68	3·61	14·94	3·61	3·96	3·67	3·11	14·35	3·73	3·62	7·35
3. Metals, iron and steel and manufactures thereof	58·33	29·49	30·17	32·67	27·03	119·36	26·81	26·06	18·55	11·26	82·68	11·52	9·64	21·16

4. Metals other than iron and steel .	23·69	7·79	9·52	10·70	9·19	37·20	10·17	8·90	7·45	7·00	33·52	7·26	6·52	13·78
5. Textile yarns and manufactures .	14·26*	4·56*	5·09	4·59	3·67	17·91	3·75	4·27	2·82	2·03	12·87	2·10	2·48	4·58
IV. *Capital Goods* .	153·43	51·28	49·93	56·50	53·24	210·95	56·51	52·79	51·14	44·42	204·86	37·55	36·59	74·14
1. Machinery .	107·61	36·43	34·74	40·74	39·29	151·20	44·32	41·34	41·83	37·01	164·50	30·63	29·82	60·45
2. Vehicles (incl. locomotives) .	37·62	11·38	11·98	10·68	11·57	45·61	10·85	9·25	8·83	6·78	35·71	5·04	5·58	10·62
3. Ships, aircrafts and parts . .	8·20	3·47	3·21	5·08	2·38	14·14	1·34	2·20	0·48	0·63	4·65	1·88	1·19	3·07
V. *Other* . .	24·72*	9·67*	10·55	8·89	17·47	46·58	17·41	17·72	12·69	12·54	60·36	16·62	17·92	34·54
TOTAL . .	606·67	196·07	195·51	209·65	194·74	795·97†	201·01	182·54	159·58	138·85	681·98	142·17	132·93	275·10

*Estimated **Based on ECD data.
†This is slightly less than the revised total of Rs. 804·3 crores used in the text.

5.3: CATEGORY-WISE BREAKDOWN OF EXPORTS*

(Rs. crores)

	Total 1955-56	April-June 1956	July-Sept. 1956	Oct-Dec. 1956	Jan.-March 1957	Total 1956-57	April-June 1957	July-Sept. 1957	Oct.-Dec. 1957	Jan-March 1958	Total 1957-58	April-June 1958	July-Sept. 1958	Total (April-Sept.) 1958)
I. Food, drink and tobacco	181·7	48·6	44·4	62·6	58·0	213·6	38·4	40·3	64·7	51·9	195·3	42·9	39·8	82·7
Tea	110·6	30·4	27·5	46·7	44·7	149·3	17·3	21·1	46·6	34·4	119·4	23·4	25·5	48·9
II. Raw materials and Produce and Articles wholly unmanufactured	227·4	50·5	37·8	48·7	52·9	189·9	47·8	39·4	45·7	43·2	176·1	38·9	36·7	75·6
1. Cotton, raw & waste	15·6	6·8	4·1	4·9	7·9	23·7	7·2	2·6	2·6	3·5	15·9	6·9	5·9	12·8
2. Vegetable Oils	40·1	10·2	4·5	6·0	4·8	25·5	4·6	4·6	2·3	3·2	14·7	2·4	2·8	5·2
3. Hides and skins, raw and tanned.	23·0	8·0	5·8	8·2	8·4	30·4	8·4	6·7	8·4	7·0	30·5	6·8	6·2	13·0
4. Metal ores	29·7	4·6	3·9	6·0	5·3	19·8	4·0	3·3	4·1	4·7	16·1	3·9	2·0	5·9
5. Manganese ore		4·2	4·4	5·5	7·0	21·1	6·2	6·4	8·9	7·9	29·4	4·1	3·7	7·8
III. Articles wholly or mainly manufactured	254·4	59·2	58·2	65·9	72·6	255·9	56·5	52·0	74·0	59·5	242·0	49·9	53·5	103·4
1. Jute Manufactures	120·3	26·8	30·0	32·3	37·1	126·2	25·0	22·4	40·6	30·2	118·2	22·5	22·5	45·0
2. Cotton Manufactures	86·4	19·8	17·0	20·3	23·2	80·3	20·1	19·1	19·9	17·1	76·2	14·4	14·5	28·9
IV. Others	8·4	2·1	1·8	2·3	2·1	8·3	2·4	2·0	2·4	2·0	8·8	1·9	2·1	4·0
TOTAL (c.i.f.)	671·9	160·4	142·2	179·5	185·6	667·7	145·1	133·7	186·8	156·5	622·1	133·6	132·1	265·7
Less Estimated freight and Insurance, etc.	30·8	6·8	7·5	8·0	8·5	30·8	5·3	6·4	9·2	6·8	27·7	6·6	5·6	12·2
Exports (f.o.b.)	641·1	153·6	134·7	171·5	177·1	636·9**	139·8	127·3	177·6	149·7	594·4	127·0	126·5	253·5

*Based on ECD data

**This is slightly more than the revised total of Rs. 635·1 crores used in the text

5.4 : REGIONAL PATTERN OF INDIA'S BALANCE OF PAYMENTS (CURRENT ACCOUNT)

(In crores of Rupees)

Period	Sterling Area	Dollar Area	OEEC Countries	Rest of Non-Sterling Area	Total
1953-54	+64·2	+27·2	—57·5	+13·5	+47·4
1954-55	+52·9	+14·9	—75·7	+13·9	+6·0
1955-56	+44·2	+39·2	—84·5	+13·4	+12·3
1956-57(a)	—35·0	—42·8	—199·5	—29·5	—306·8
1957-58(a)	—70·9	—15·6*	—238·9	—51·4	—376·8
1957-58—					
First Quarter(a)	—26·1	+31·1*	—70·1	—19·8	—84·9
Second Quarter(a)	—22·7	—30·4*	—64·9	—20·5	—138·5
Third Quarter(a)	—3·6	—5·4	—61·6	—1·8	—72·4
Fourth Quarter(a)	—18·5	—10·9	—42·3	—9·3	—81·0
1958-59—					
First Quarter(a)	—33·7	—12·1	—49·2	—25·2	—120·2
Second Quarter(a)	—6·7	—11·1	—47·5	—25·3	—90·6

Net credit (+)
Net debit (—)

*Includes silver despatched to the U.S.A.

(a) Preliminary

5·5 : INDEX NUMBERS OF QUANTUM AND VALUE PER UNIT OF IMPORTS AND EXPORTS (BY SEA, AIR AND LAND)

(Base : 1952-53=100)

	Quantum		Value per Unit	
	Imports	Exports	Imports	Exports
1955*	116	115	87	90
1956*	137	110	91	94
1957	156	119	98	94
1957—				
July	153	121	95	96
August	144	127	101	99
September	149	135	100	95
October	126	110	104	100
November	143	122	98	101
December	130	122	92	93
1958—				
January	130	127	91	88
February	130	97	91	89
March	132	109	96	89
April	118	95	91	91
May	136	104	86	89
June	108	63	106	93
July	115	124	104	91
August	98	107	102	96
September	108	128	97	96

*Figures relate to the financial years 1955-56 and 1956-57 respectively

5.6: EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED

5·6 : EXTERNAL ASSISTANCE—AUTHORISED AND UTILISED

(Rs. crores)

Details of Assistance	Aid authorised before 1st Plan	Aid authorised during 1st Plan	Utilization upto end of 1st Plan	Balance available for utilization during 2nd Plan	Aid authorised from 1-4-56 to 31-1-59	Total available for utilization during 2nd Plan	*Estimated utilization from 1-4-56 to 30-9-58	Balance available for utilization
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
A. Loans and Credits to be repaid in foreign currency—								
I. I. B. R. D.—								
1. Railways– I	15·61	..	15·61	..	..	..	..	..
2. Agriculture	3·43	..	3·43	..	..	..	..	..
3. D. V. C.—I	7·96	..	7·96	..	..	..	..	..
4. D. V. C.—II	..	5·00	1·96	3·04	..	3·04	3·04	..
5. D. V. C.—III	..	..	..	..	11·90	11·90	..	11·90
6. A. I. I.	..	..	..	..	2·67	2·67	1·61	1·06
7. Railways—II	..	..	..	..	42·86	42·86	39·35	3·51
8. Railways—III	..	..	..	..	40·48	40·48	..	40·48
9. Calcutta Port	..	..	..	..	13·81	13·81	..	13·81
10. Madras Port	..	..	..	..	6·67	6·67	..	6·67
11. IISCO—I	..	14·29	2·78	11·51	..	11·51	8·12	3·39
12. Trombay—I	..	6·64	2·09	4·55	..	4·55	3·94	0·61
13. I.C.I.C.I.	..	4·76	..	4·76	..	4·76	0·26	4·50
14. TISCO—I	..	..	..	..	35·71	35·71	35·71	..
15. IISCO—II	..	..	..	..	9·52	9·52	5·72	3·80
16. Trombay—II	..	..	..	..	4·67	4·67	1·97	2·70
17. TISCO—II	..	..	..	..	15·47	15·47	9·84	5·63
TOTAL—I	27·00	30·69	33·83	23·86	183·76	207·62	109·56	98·06

II. Loans from Foreign Governments—

1. U. S. Wheat Loan	..	90·31	90·31	..	..	..	..	..
2. USSR Credit for Bhilai Steel Plant	..	63·07	..	63·07	..	63·07	34·44	28·63
3. USSR Credit for Industrial Development	..	..	..	..	59·50	59·50	0·11	59·39
4. E.C.G.D. Credit (for Durgapur Steel Plant) from U. K. Govt.	..	..	..	..	20·00	20·00	8·00	12·00
5. E.C.G.D. Credit (for import of capital goods) from U. K. Govt.	..	..	..	..	38·10	38·10	..	38·10
6. West German Credit (for Rourkela Steel Plant)	..	..	..	..	74·83	74·83	29·31	45·52
7. West German Credit (for import of capital goods)	..	..	..	..	19·94	19·94	..	19·94
8. Yen Credit from Japan	..	..	..	..	23·81	23·81	..	23·81
9. Loan from Japan (for iron ore project)	..	..	..	..	3·81	3·81	..	3·81
10. Canadian Wheat Loan—I	..	..	..	..	11·52	11·52	11·52	..
11. Canadian Wheat Loan—II	..	..	..	..	4·19	4·19	..	4·19
TOTAL—II	..	153·38	90·31	63·07	255·70	318·77	83·38	235·39

(*Contd. on next page*)

(*concld.*)

Details of Assistance	Aid authorised before 1st Plan	Aid authorised during 1st Plan	Utilization upto end of 1st Plan	Balance available for utilization during 2nd Plan	Aid authorised from 1-4-56 to 31-1-59	Total available for utilization during 2nd Plan	*Estimated utilization from 1-4-56 to 30-9-58	Balance available for utilization
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
III. Other Loans—								
1. U. S. Banks' Loan to A.I.I.	..	..	..	..	5·33	5·33	..	5·33
2. Lazard Bros. Credit for Durgapur Steel Plant	..	..	..	..	15·33	15·33	5·33	10·00
3. Exim. Bank of U.S.A.	..	..	..	..	71·43	71·43	..	71·43
TOTAL—III	..	..	..	..	92·09	92·09	5·33	86·76
TOTAL 'A'	27·00	184·07	124·14	86·93	531·55	618·48	198·27	420·21
B. Loans and Credits to be repaid in rupees—								
1. Loan under T.C.A. Programme	..	39·28	..	39·28	22·63	61·91	35·42	26·49
2. U. S. Development Loan Fund—I	..	..	..		35·71	35·71	..	35·71
3. U. S. Development Loan Fund—II	..	..	..	..	47·62	47·62	..	47·62
4. U. S. Govt. Loan for Orissa Iron Ore Project	..	..	..	..	9·52	9·52	..	9·52
TOTAL 'B'	..	39·28	..	39·28	115·48	154·76	35·42	119·34
C. PL 480 Assistance—								
1. August 1956**	..	..	..	..	146·86	146·86	146·86@	..
2. June 1958**	..	..	..	..	27·13	27·13	13·23@	13·90
3. September 1958**	..	..	..	..	96·68	96·68	..	96·68
TOTAL 'C'	..	..	..	..	270·67	270·67	160·09	110·58
D. Grants—								
1. T. C. A.†	..	102·54	58·91	43·63	12·23	55·86	44·02	11·84
2. PL 480—								
(*i*) August 1956	..	..	..	..	25·71	25·71	19·32	6·39
(*ii*) September 1958	..	..	..	..	17·04	17·04	..	17·04

3. Colombo Plan ‡	..	46·19	25·92	20·27	41·55	61·82	18·90	42·92
4. Ford Foundation	..	5·61	2·36	3·25	4·06	7·31	2·51	4·80
TOTAL 'D'	..	154·34	87·19	67·15	100·59	167·74	84·75	82·99
GRAND TOTAL (A+B+C+D)	27·00	377·69	211·33	193·36	1018·29	1211·65	478·53	733·12

*Figures are available only upto end of September, 1958

**The sale proceeds are to be used as follows :

(Rs. crores)

	August, 1956 authorisation	June, 1958 authorisation	September, 1958 authorisation
(*i*) By U. S. Govt. in India	35·38	3·66	13·64
(*ii*) Loan to India for economic development	111·48	16·71	54·64
(*iii*) Mutually agreeable loans to U. S. and Indian firms	..	6·76	28·40
	146·86	27·13	96·68

†Includes PL 665 imports

‡Includes: (*i*) Norwegian grants
(*ii*) Canadian authorisation of Rs. 8·09 crores in February 1959

@ The utilisation figure refers to import of wheat etc. and not to loans made to Government or to any firm.

6·1: NET CAPITAL FORMATION OUT OF THE BUDGETARY RESOURCES OF THE CENTRAL GOVERNMENT

(Rs. crore

	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58 (R. E.)	1958-59 (B. E.)
Net capital formation by the Central Government									
1. Fixed assets	49·2	49·4	43·2	67·5	86·8	127·8	183·7	200·4	228·8
2. Works stores	9·9	5·0	—1·0	3·2	—2·5	5·1	23·0	25·7	12·3
3. Increase in policy stocks of foodgrains, etc.	—9·3	10·4	—15·7	—24·4	68·1	—29·8	4·7	54·2	13·3
TOTAL	49·8	64·8	26·5	46·3	152·4	103·1	211·4	280·3	254·4
Financial assistance for net capital formation in the rest of the economy through :									
1. Grants for capital formation	2·4	6·3	5·7	6·2	28·4	32·9	30·6	34·8	38·7
2. Investment in shares	4·8	4·2	2·3	4·6	6·2	3·4	28·4	141·5	179·9
3. Loans for capital formation	41·5	85·0	105·8	144·9	257·6	291·8	240·5	266·6	317·6
TOTAL	48·7	95·5	113·8	155·7	292·2	328·1	299·5	442·9	536·2
C. Total net capital formation out of the budgetary resources of the Central Government (A+B)	98·5	160·3	140·3	202·0	444·6	431·2	510·9	723·2	790·6

NOTE:— Worked out from the budgets of the Central Government.

GOVERNMENT OF INDIA

BUDGET

of the

CENTRAL GOVERNMENT

for

1959-60

(As laid before Parliament, 1959)

MINISTRY OF FINANCE;
New Delhi, the 28th February, 1959.

A.K. ROY
Secretary to the Government of India.

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60 M. of Fin.—13.

I.—GENERAL STATEMENT OF THE REVENUE AND EXPENDITURE

(In thousands of Rupees)

	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
REVENUE—					
Principal Heads of Revenue—					
Customs	A	1,79,99,43	1,70,00,00	1,36,00,00	1,30,00,00 + 2,77,00*
Union Excise Duties	"	2,73,62,28	3,04,76,00	3,01,15,00	3,07,00,00 + 18,08,00*
Corporation Tax	"	56,13,16	55,50,00	56,00,00	58,75,00
Taxes on Income other than Corporation Tax	"	90,26,84	84,53,00	86,70,00	87,63,00
Estate Duty	"	—9,40	12,00	12,19	13,75
Taxes on Wealth	"	7,03,58	12,50,00	10,00,00	10,50,00 + 2,50,00*
Taxes on Railway Fares	"	—73,45	7,00	10,73	10,73
Expenditure Tax	"	..	3,00,00	1,00,00	1,00,00
Gift Tax	"	..	2,00,00	1,20,00	1,20,00
Opium	"	2,87,47	2,87.00	3,31,00	3,92,00
Other Heads	"	11,63,42	10,39,65	13,50,35	13,89,60
TOTAL—PRINCIPAL HEADS		6,20,73,33	6,45,74,65	6,09,09,27	6,14,14,08 + 23,35,00*
Contributions from Railways	"	6,29,31	7,04,46	6,40,44	5,97,81
Irrigation : Net Receipts	"	16	66	14	15
Posts and Telegraphs: (Net) (*a*)	"	3,70,82	2,34,00	5,38,36	4,19,52
Debt Services	"	6,17,86	6,60,45	8,35,76	10,75,23
Civil Administration	"	41,07,82	44,24,05	45,62,76	35,79,77
Currency and Mint	"	33,26,81	36,62,26	34,76,52	55,60,32
Civil Works and Miscellaneous Public Improvements	"	2,51,27	2,86,01	2,88,41	2,98,34
Electricity Schemes	"	55	1,38	—1,61	2,36
Miscellaneous	"	11,94,20	8,44,25	14,63,57	12,83,63
Contributions and Miscellaneous Adjustments between Union and State Governments	"	6,23	6,23	6,23	6,23
Extraordinary Items	"	2,33	14,00,45	1,00,52	15,13,52
TOTAL REVENUE		7,25,80,69	7,67,98,85	7,28,20,37	7,57,50,96 + 23,35,00*
EXCESS OF EXPENDITURE OVER REVENUE OR DEFICIT		..	28,01,67	59,94,50	58,31,86
TOTAL		7,25,80,69	7,96,00,52	7,88,14,87	8,39,17,82

(*a*) Figures shown net; the expenditure shown in Statement B has been taken in reduction of the receipts shown in Statement A.

Note.—The accounts for 1957-58 have not been finally closed and the actuals given here are only provisional.

*Effect of Budget proposals.

MET FROM REVENUE OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
EXPENDITURE—					
Direct Demands on the Revenue	B	61,76,81	94,45,63	99,62,60	1,01,65,34
Irrigation	"	11,16	12,97	16,21	15,41
Debt Services	"	42,08,46	40,00,00	42,06,00	57,88,35
Civil Administration	"	1,67,99,96	2,00,43,95	1,97,71,48	2,22,72,53
Currency and Mint	"	7,23,47	8,49,64	9,14,10	9,82,43
Civil Works and Miscellaneous Public Improvements	"	17,11,84	18,65,74	18,28,00	19,30,15
Electricity Schemes	"	3,51	4,95	3,92	5,15
Miscellaneous	"	73,27,00	80,20,79	92,09,20	1,00,62,40
Defence Services (*a*)	"	2,56,71,97	2,78,13,64	2,66,87,21	2,42,67,99
Contributions and Miscellaneous Adjustments between Union and State Governments	"	45,90,22	47,03,36	46,94,77	49,02,18
Extraordinary Items	"	11,50,84	28,39,85	15,21,38	35,25,89
TOTAL—EXPENDITURE MET FROM REVENUE		6,83,75,24	7,96,00,52	7,88,14,87	8,39,17,82
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS		42,05,45	..	..	..
TOTAL		7,25,80,69	7,96,00,52	7,88,14,87	8,39,17,82

(*a*) Figures shown net; the receipts shown in Statement A have been deducted from the expenditure shown in Statement B.

II.—GENERAL STATEMENT OF THE RECEIPTS

(In thousands of Rupees)

RECEIPTS	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
Revenue Surplus (as shown in Part I) .		42,05,45	..	..	..
Capital Accounts outside the Revenue Account	C	..	..	..	..
Permanent Debt (net) .	"	94,60,86	4,03,25,75	7,12,45,59	3,98,92,73
Floating Debt (net) .	"	4,54,62,75	2,01,57,00	..	3,28,81,00
Loans and Advances by the Central Government (net) . .	"	..	..	..	..
Inter-State Settlement (net) . . .	"	..	..	..	..
TOTAL I—CONSOLIDATED FUND OF INDIA .		5,91,29,06	6,04,82,75	7,12,45,59	7,27,73,73
II.—CONTINGENCY FUND OF INDIA .	C	..	..	2,00,18	..
III.—PUBLIC ACCOUNT—					
Unfunded Debt (net)	"	89,26,98	1,18,02,76	91,83,48	1,05,38,09
Depreciation and other Reserve Funds (net) .	"	..	..	..	..
Appropriation for Reduction or Avoidance of Debt (net) . .	"	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances (net) . .	"	..	86,32,87	45,45,73	1,00,61,02
Remittances (net) . .	"	28,24,75	..	81,12	89,16
Transfer of Cash between England and India (net) . .	"	16,56,93	..	..	..
TOTAL III—PUBLIC ACCOUNT . .	"	1,39,08,66	2,09,35,63	1,43,10,33	2,11,88,27
TOTAL RECEIPTS .		7,30,37,72	8,14,18,38	8,57,56,10	9,39,62,00
OPENING BALANCE .	C	50,95,81	50,55,14	51,80,61	50,11,93
TOTAL .		7,81,33,53	8,64,73,52	9,09,36,71	9,89,73,93

AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT.

(In thousands of Rupees)

DISBURSEMENTS	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
Revenue Deficit (as shown in Part I)	C	..	28,01,67	59,94,50	58,31,86
Capital Accounts not met from Revenue	"	4,31,55,99	4,91,34,62	4,14,17,51	4,77,52,75
Permanent Debt (net)	"	..	..	..	..
Floating Debt (net)	"	..	..	23,37,00	..
Loans and Advances by the Central Government (net)	"	2,59,62,74	2,60,23,98	3,21,78,98	3,86,74,57
Inter-State Settlement (net)	"	1,45,00	12,00	8,07	5
TOTAL I.—CONSOLIDATED FUND OF INDIA		6,92,63,73	7,79,72,27	8,19,36,06	9,22,59,23
II.—CONTINGENCY FUND OF INDIA	C	2,00,18	..	..	..
III.—PUBLIC ACCOUNT—					
Unfunded Debt(net)	C	..	..	..	..
Depreciation and other Reserve Funds (net)	"	23,31,18	28,67,24	39,88,72	16,46,37
Appropriation for Reduction of Avoidance of Debt (net)	"	..	..	..	..
Other Deposits and Advances (net)		11,57,83	..	..	..
Remittances (net)	"	..	1,12,58	..	..
Transfer of Cash between England and India(net)	"	..	..	..	..
TOTAL III.—PUBLIC ACCOUNT		34,89,01	29,79,82	39,88,72	16,46,37
TOTAL—DISBURSEMENTS		7,29,52,92	8,09,52,09	8,59,24,78	9,39,05,60
CLOSING BALANCE	C	51,80,61	55,21,43	50,11,93	50,68,33
TOTAL		7,81,33,53	8,64,73,52	9,09,36,71	9,89,73,93

A.—Statement of the Revenue of the Central Government.

(In thousands of Rupees)

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA						
PRINCIPAL HEADS OF REVENUE—						
I.—Customs	1,79,99,43	1,70,00,00	1,36,00,00	—34,00,00	1,32,77,00	— 3,23,00
II.—Union Excise Duties	2,73,62,28	3,04,76,00	3,01,15,00	—3,61,00	3,25,08,00	+23,93,00
III.—Corporation Tax	56,13,16	55,50,00	56,00,00	+50,00	58,75,00	+2,75,00
IV.—Taxes on Income other than Corporation Tax	90,26,84	84,53,00	86,70,00	+2,17,00	87,63,00	+93,00
V.—Estate Duty	—9,40	12,00	12,19	+19	13,75	+1,56
V-A.—Taxes on Wealth	7,03,58	12,50,00	10,00,00	—2,50,00	13,00,00	+3,00,00
V-B.—Taxes on Railway Fares	—73,45	7,00	10,73	+3,73	10,73	..
V-C.—Expenditure Tax	..	3,00,00	1,00,00	—2,00,00	1,00,00	..
V-D.—Gift Tax	..	2,00,00	1,20,00	—80,00	1,20,00	..
VI.—Opium	2,87,47	2,87,00	3,31,00	+44,00	3,92,00	+61,00
VII.—Land Revenue	34,78	52,09	56,68	+4,59	54,48	—2,20
VIII.—State Excise Duties	1,86,65	1,66,40	1,62,23	—4,17	1,56,10	—6,13
IX.—Stamps	3,20,53	2,93,17	3,33,38	+40,21	3,39,97	+6,59
X.—Forest	2,32,99	2,56,59	2,65,46	+8,87	2,77,91	+12,45
XI.—Registration	9,98	8,49	11,27	+2,78	11,28	+1
XII.—Taxes on Vehicles	36,63	33,94	39,20	+5,26	41,70	+2,50
XII-A.—Sales Tax	2,29	1,79,76	3,13,51	+1,33,75	3,33,26	+19,75
XIII.—Other Taxes and Duties	3,39,57	49,21	1,68,62	+1,19,41	1,74,90	+6,28
TOTAL	6,20,73,33	6,45,74,65	6,09,09,27	—36,65,38	6,37,49,08	+28,39,81
IRRIGATION—						
XVII.—Irrigation, Navigation, Embankment and Drainage Works (Commercial)	1	50	..	—50	..	..
Deduct—Working Expenses	..	..	..	..	..	..
Net Receipts	1	50	..	—50	..	..
XVIII.—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	15	16	14	—2	15	+1
TOTAL	16	66	14	—52	15	+1
POSTS AND TELEGRAPHS—						
XIX.—Posts and Telegraphs—Gross Receipts	61,62,91	63,64,00	66,36,00	+2,72,00	69,24,00	+2,88,00
Deduct—Working Expenses	*55,17,88*	*58,15,84*	*57,81,17*	*+34,67*	*61,43,36*	*—3,62,19*
Net Receipts	6,45,03	5,48,16	8,54,83	+3,06,67	7,80,64	—74,19
DEBT SERVICES—						
XX.—Interest	6,17,86	6,60,45	8,35,76	+1,75,31	10,75,23	+2,39,47
Carried over	6,33,36,38	6,57,83,92	6,26,00,00	—31,83,92	6,56,05,10	+30,05,10

A.—Statement of the Revenue of the Central Government—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised 1958-59
I.CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	6,33,36,38	6,57,83,92	6,26,00,00	—31,83,92	6,56,05,10	+30,05,10
CIVIL ADMINISTRATION—						
XXI.—Administration of Justice	11,62	10,31	12,76	+2,45	12,81	+5
XXII.—Jails	1,28	1,15	1,24	+9	1,27	+3
XXIII.—Police	59,37	35,06	51,13	+16,07	62,62	+11,49
XXIV.—Ports and Pilotage	22,15	41,40	32,01	—9,39	32,04	+3
XXIV-A.—Mercantile Marine	..	8,74	7,57	—1,17	7,59	+2
XXV.—Lighthouses and Lightships	46,21	48,34	49,55	+1,21	48,19	—1,36
XXVI.—Education	68,66	32,26	68,95	+36,69	35,02	—33,93
XXVII.—Medical	39,07	29,28	26,41	—2,87	28,49	+2,08
XXVIII.—Public Health	22,50	22,08	15,34	—6,74	13,78	—1,56
XXIX.—Agriculture	1,16,74	79,40	75,78	—3,62	61,74	—14,04
XXIX-A.—Rural Development	..	..	..	..	..	
XXX.—Animal Husbandry	15,93	17,79	21,93	+4,14	22,71	+78
XXXI.—Co-operation	8,50	1,54	7,43	+5,89	5,31	—2,12
XXXII.—Industries and Supplies	31,14,30	34,80,42	35,14,34	+33,92	26,48,06	—8,66,28
XXXIII.—Aviation	91,71	89,95	1,01,79	+11,84	93,20	—8,59
XXXIV.—Broadcasting	1,70,80	1,77,88	2,03,88	+26,00	2,12,35	+8,47
XXXVI.—Miscellaneous Departments	3,18,98	3,48,45	3,72,65	+24,20	2,94,59	—78,06
TOTAL	41,07,82	44,24,05	45,62,76	+1,38,71	35,79,77	—9,82,99
CURRENCY AND MINT—						
XXXVII.—Currency	32,75,65	32,36,95	31,77,17	—59,78	42,09,18	+10,32,01
XXXVIII.—Mint	51,16	4,25,31	2,99,35	—1,25,96	13,51,14	+10,51,79
TOTAL	32,26,81	36,62,26	34,76,52	—1,85,74	55,60,32	+20,83,80
CIVIL WORKS, ETC.—						
XXXIX.—Civil Works	2,50,14	2,84,43	2,86,54	+2,11	2,96,70	+10,16
XL-A.—Receipts from Multi-purpose River Schemes	1,13	1,58	1,87	+29	1,64	—23
TOTAL	2,51,27	2,86,01	2,88,41	+2,40	2,98,34	+9,93
ELECTRICITY SCHEMES—						
XLI.—Receipts from Electricity Schemes—Gross Receipts	8,48	9,75	9,83	+8	13,95	+4,12
Deduct—Working Expenses	7,93	8,37	11,44	—3,07	11,59	—15
Net Receipts	55	1,38	—1,61	—2,99	2,36	+3,97
Carried over	7,10,22,83	7,41,57,62	7,09,26,08	—32,31,54	7,50,45,89	+41,19,81

A.—Statement of the Revenue of the Central Government—*concld*

(In thousands of Rupees)

Head of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward .	7,10,22,83	7,41,57,62	7,09,26,08	—32,31,54	7,50,45,89	+41,19,81
MISCELLANEOUS—						
XLIV.—Receipts in aid of Superannuation .	64,24	72,80	84,73	+11,93	57,91	—26,82
XLV.—Stationery and Printing . . .	17,94	29,08	29,91	+83	30,08	+17
XLV-A.—Contributions from Railways . .	6,29,31	7,04,46	6,40,44	—64,02	5,97,81	—42,63
XLVI.—Miscellaneous	11,10,72	7,46,54	13,39,82	+5,93,28	11,87,97	—1,51,85
XLVI-A.—Receipts from Road and Water Transport Schemes —Gross Receipts .	66,40	57,31	73,46	+16,15	76,00	+2,54
Deduct—Working Expenses . . .	*65,10*	*61,48*	*64,35*	*—2,87*	*68,33*	*—3,89*
Net Receipts .	1,30	—4,17	9,11	+13,28	7,67	—1,44
TOTAL .	18,23,51	15,48,71	21,04,01	+5,55,30	18,81,44	—2,22,57
DEFENCE SERVICES—						
XLVII.—Defence Receipts—Effective .	17,14,82	13,56,36	15,19,28	+1,62,92	20,16,16	+4,96,88
XLVIII.—Defence Receipts—Non-effective . . .	15,92	8,98	46,10	+37,12	13,25	—32,85
TOTAL . .	17,30,74	13,65,34	15,65,38	+2,00,04	20,09,41	+4,64,03
CONTRIBUTIONS AND MISCELLANEOUS—						
ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS—						
L.—Miscellaneous Adjustments between Union and State Governments . .	6,23	6,23	6,23	..	6,23	..
EXTRAORDINARY ITEMS						
LI.—Extraordinary Receipts . .	2	14,00,00	1,00,00	—13,00.00	15,13,00	+14,13,00
LI-A.—Receipts on accoun of Community Development Projects, National Extension Service and Local Development Works .	48	45	52	+7	52	..
LII-B.—Civil Defence . .	1,83	..	..	..	..	
LII-C.—Pre-partition Receipts .	..	..	..	..	..	..
TOTAL . .	2,33	14,00,45	1,00,52	—12,99,93	15,13,52	+14,13,00
RAILWAY REVENUE AS PER RAILWAY BUDGET	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58	+15,52,31
TOTAL—REVENUE .	8,16,39,65	8,78,81,73	8,24,82,49	—53,99,24	8,98,09,07	+73,26,58
Excess of Expenditure over Revenue or Deficit	..	28,01,67	59,94,50	...	58,31,86	..

B.—Statement of the Expenditure met from Revenue of the Cenrral Government

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1957-58	Budget, Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease (—) as compared with Revised 1958-59
I.—CONSOLIDATED FUND OF INDIA						
DIRECT DEMANDS ON THE REVENUE—						
1.—Customs	3,06,84	4,16,26	3,85,34	—30,92	3,96,77	+11,43
2.—Union Excise Duties	45,83,46	74,64,66	78,65,16	+4,00,50	78,44,55	—20,61
3.—Corporation Tax		1,30,95	1,22,59	—8,36	1,34,68	+12,09
4.—Taxes on Income other than Corporation Tax	4,65,24	3,80,48	3,55,50	24,98	3,81,12	+25,62
5.—Estate Duty		9,93	9,86	—7	11,08	+1,22
5-A.—Taxes on Wealth		13,60	22,37	+8,77	24,09	+1,72
5-B.—Taxes on Railway fares	..	4,73	8,00	+3,27	8,00	..
5-C.—Expenditure Tax	..	3,00	2,19	—81	2,29	+10
5-D.—Gift Tax	..	..	4,38	+4,38	4,58	+20
6.—Opium	1,98,04	2,42,18	2,70,23	+28,05	3,09,94	+39,71
7.—Land Revenue	39,88	42,18	41,14	—1,04	51,03	+9,89
8.—State Excise Duties	44,22	49,18	49,88	+70	50,21	+33
9.—Stamps	2,02,27	2,38,63	2,60,30	+21,67	2,83,07	+22,77
10.—Forest	3,01,40	4,08,14	3,83,87	—24,27	4,73,05	+89,18
11.—Registration	1,60	1,89	2,10	+21	2,38	+28
12.—Taxes on Vehicles	22,08	26,17	27,23	+1,06	29,02	+179
12-A.—Sales Tax	..	10,19	9,66	—53	10,00	+34
13.—Other Taxes and Duties	11,78	3,46	1,42,80	+1,39,34	1,49,48	+6,68
TOTAL	61,76,81	94,45,63	99,62,60	+5,16,97	1,01,65,34	+2,02,74
REVENUE ACCOUNT OF IRRIGATION WORKS—						
17.—Irrigation, Navigation, Embankment and Drainage Works (Commercial)	..	..	..	..	..	..
18.—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	11,16	12,97	16,21	+3,24	15,41	—80
TOTAL	11,16	12,97	16,21	+3,24	15 1	—80
POSTS AND TELEGRAPHS REVENUE ACCOUNT—						
20—Posts and Telegraphs—Interest on Debt	2,74,21	3,14,16	3,16,47	+2,31	3,61,12	+44,65
Carried over	64,62,18	97,72,76	1,02,95,28	+5,22,52	1,05,41,87	+2,46,59

B.—Statement of the Expenditure met From Revenue of the Central Government—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease (—) as compared with Budget 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease (—) as compared with Revised 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	64,62,18	97,72,76	1,02,95,28	+5,22,52	1,05,41,87	+2,46,59
DEBT SERVICES—						
22.—Interest on Debt and other Obligations	1,17,75,38	1,34,42,93	1,35,92,93	+1,50,00	1,63,21,88	+27,28,95
Deduct—Interest transferred to—						
Railways	*38,10,62*	*42,53,93*	*43,62,31*	*—1,08,38*	*48,42,90*	*—4,80,59*
Irrigation	..	..	..	..	..	..
Posts and Telegraphs	*2,78,49*	*3,17,16*	*3,18,15*	*—99*	*3,62,81*	*—44,66*
State Governments	*34,98,80*	*50,09,63*	*48,36,00*	*+1,73,63*	*54,21,00*	*—5,85,00*
Other heads	*4,79,01*	*3,62,21*	*3,70,47*	*—8,26*	*4,06,52*	*—36,35*
TOTAL TRANSFERS	*80,66,92*	*99,42,93*	*98,86,93*	*+56,00*	*1,10,33,53*	*—11,46,60*
Net	37,08,46	35,00,00	37,06,00	+2,06,00	52,88,35	+15,82,35
23.—Appropriation for Reduction or Avoidanceof Debt	5,00,00	5,00,00	5,00,00	..	5,00,00	..
TOTAL	42,08,46	40,00,00	42,06,00	+2,06,00	57,88,35	+15,82,35
CIVIL ADMINISTRATION—						
25.—General Administration	14-74,06	16,34,27	16,20,21	—14,06	16,12,97	—7,24
26.—Audit	6,47,39	7,25,77	7,18,77	—7,60	7,64,78	+46,61
27—Administration of Justice	38,60	42,17	43,79	+1,62	44,09	+30
28.—Jails	12,80	14,06	13,72	—34	14,38	+66
29.—Police	7,81,56	8,26,37	8,25,36	—1,01	8,91,41	+66,05
30.—Ports and Pilotage	79,03	46,08	38,48	—7,60	44,35	+5,87
30-A.—Mercantile Marine	..	61,29	59,88	—1,41	67,93	+8,05
31.—Lighthouses and Lightships	16,74	48,34	49,55	+1,21	48,19	—1,36
34—Tribal Areas	5,46,47	9,40,92	10,78,67	+1,37,75	11,31,23	+52,56
35.—External Affairs	6,99,65	7,49,61	7,49,93	+32	8,37,15	+87,22
36.—Scientific Departments	13,23,29	17,79,14	17,09,38	—69,76	23,26,76	+6,17,38
37.—Education	20,97,78	29,63,20	28,22,96	—1,40,24	38,12,32	+9,89,36
38.—Medical	4,52,19	6,14,71	5,55,36	—59,35	6,92,43	+1,37,07
39.—Public Health	8,69,39	9,88,11	9,65,01	—23,10	10,00,29	+35,28
40.—Agriculture	10,60,71	13,87,18	13,53,63	—33,55	14,18,04	+64,41
40-A.—Rural Development	71,67	85,16	87,16	+2,0	1,09,00	+21,84
41.—Animal Husbandry	94,93	1,52,90	1,35,74	—17,16	2,52,72	+1,16,98
42.—Co-operation	98,62	1,39,35	2,19,82	+80,47	2,82,94	+63,12
43.—Industries and Supplies	47,05,14	46,15,71	45,08,78	—1,06,93	44,80,28	—28,50
44.—Aviation	2,88,63	3,24,88	3,32,26	+7,38	3,59,73	+27,47
45.—Broadcasting	3,45,53	3,73,50	3,86,78	+13,28	4,14,47	+27,69
47.—Miscellaneous Departments	10,95,78	15,31,23	14,96,84	—34,39	16,67,07	+1,70,23
TOTAL	1,67,99,96	2,00,43,95	1,97,71,48	—2,72,47	2,22,72,53	+25,01,05
Carried over	2,74,70,60	3,38,16,71	3,42,72,76	+4,56,05	3,86,02,75	+43,29,99

B.—Statement of the Expenditure met from Revenue of the Central Government—*contd.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	2,74,70,60	3,38,16,71	3,42,72,76	+4,56,05	3,86,02,75	+43,29,99
CURRENCY AND MINT—						
48.—Currency	3,40,40	3,72,87	3,41,03	—31,84	3,94,34	+53,31
49.—Mint	3,83,07	4,76,77	5,73,07	+96,30	5,88,09	+15,02
TOTAL	7,23,47	8,49,64	9,14,10	+64,46	9,82,43	+68,33
CIVIL WORK ETC.—						
50.—Civil Works	16,87,59	17,75,51	17,48,95	—26,56	18,29,16	+80,21
51-B.—Other Revenue Expenditure connected with Multi-purpose River Schemes	24,25	90,23	79,05	—11,18	1,00,99	+21,94
TOTAL	17,11,84	18,65,74	18,28,00	—37,74	19,30,15	+1,02,15
ELECTRICITY SCHEMES—						
52-A.—Other Revenue Expenditure connected with Electricity Schemes	3,51	4,95	3,92	—1,03	5,15	+1,23
MISCELLANEOUS—						
54.—Famine	1,73	25	4,00	+3,75	50	—3,50
54-A.—Territorial and Political Pensions	21,60	22,09	21,20	—89	25,34	+4,14
54-B.—Privy Purses and Allowances of Indian Rulers	5,44,61	5,46,75	5,47,40	+65	5,41,93	—5,47
55.—Superannuation Allownaces and Pensions	3,57,42	3,71,27	3,83,94	+12,67	3,69,11	+12,17
56.—Stationery and Printing	2,98,48	2,56,32	2,94,42	+38,10	2,65,81	—28,61
57.—Miscellaneous	61,03,16	68,24,11	79,58,24	+11,34,13	88,32,71	+8,74,47
TOTAL	73,27,00	80,20,79	92,09,20	+11,88,41	1,00,62,40	+8,53,20
DEFENCE SERVICES—						
58.—Defence Services Effective—Army	1,72,97,88	1,72,04,36	1,67,64,26	—4,40,10	1,68,65,30	+1,01,04
59.—Defence Services Effective—Navy	14,13,06	16,61,98	16,61,98	..	18,36,90	+1,74,92
60.—Defence Services Effective—Air Force	72,74,69	88,54,65	83,77,98	—4,76,67	59,79,91	—23,98,07
60-A.—Defence Services—Non-Effective	14,17,08	14,57,99	14,48,37	—9,62	16,15,29	+1,66,92
TOTAL	2,74,02,71	2,91,78,98	2,82,52,59	—9,26,39	2,62,97,40	—19,55,19
Carried over	6,46,39,13	7,37,36,81	7,44,80,57	+7,43,76	7,78,80,28	+33,99,71

B.—Statement of the Expenditure met from Revenue of the Central Government—*concld.*

(In thousands of Rupees)

Heads of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Reviseed Estimate, 1958-59	Increase (+) Decrease (—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*concld.*)						
Brought forward	6,46,39,13	7,37,36,81	7,44,80,57	+7,43,76	7,78,80,28	+33,99,71
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS—						
61.—Grants-in-aid to States	45,84,92	46,96,70	46,85,07	—11,63	48,84,10	+1,99,03
62.—Miscellaneous Adjustments between Union and State Governments	5,30	6,66	9,70	+3,04	18,08	+8,38
TOTAL	45,90,22	47,03,36	46,94,77	—8,59	49,02,18	+2,07,41
EXTRAORDINARY ITEMS—						
63.—Extraordinary Charges	..	14,00,00	1,00,00	—13,00,00	15,00,00	+14,00,00
63-B.—Community Development Projects, National Extention Service and Local Development Works	10,86,38	14,01,64	13,80,64	—21,00	19,97,66	+6,17,02
64-B.—Civil Defence	87	94	94	..	94	..
64-C.—Pre-partition Payments	63,59	37,27	39,80	+2,53	27,29	—12,51
TOTAL	11,50,84	28,39,85	15,21,38	—13,18,47	35,25,89	+20,04,51
RAILWAY EXPENDITURE AS PER RAILWAY BUDGET	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58	+15,52,31
TOTAL—EXPENDITURE MET FROM REVENUE	7,74,34,20	9,06,83,40	8,84,76,99	—22,06,41	9,56,40,93	+71,63,94
Excess of Revenue over Expenditure or Surplus	42,05,45	..	..	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government

(In thousands of Rupees)

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA—				
Excess of Revenue over Expenditure (from StatementB)	42,05,45	..	..	..
CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT—				
LIV.—Sale proceeds of American and Lease-Lend Surpluses	..	..	..	..
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT—				
New Loan	..	1,45,00,00	..	2,25,00,00
3½ per cent Bonds 1963	..	..	58,55,92	..
3¾ per cent National Plan Bonds—Fifth Series (3¾ per cent, 1968)	..	..	34,33,90	..
4 per cent Loan, 1973	..	..	3,49,51,44	..
3½ per cent Loan, 1968	..	..	30,00,00	..
3½ per cent National Plan Bonds-Third Series (3½ per cent, 1967)	..	..	30,00,00	..
15-Year Annuity Certificates	65,23	1,65,00	77,00	1,20,00
Other Loans	1,36,16,57	..	..	..
TOTAL	1,36,81,80	1,46,65,00	5,03,18,26	2,26,20,00
II.—FLOATING DEBT—				
Treasury Bills	42,36,64,75	52,71,36,00	47,79,32,75	54,65,20,00
Other Floating Loans	..	..	..	95,24,00
TOTAL	42,36,64,75	52,71,36,00	47,79,32,75	55,60,44,00
B.—*Debt raised in England*	..	..	30,67,00	40,66,00
C.—Other Debt	32,47,10	2,84,76,14	2,07,69,00	2,59,11,00
TOTAL—PUBLIC DEBT	44,05,93,65	57,02,77,14	55,20,87,01	60,86,41,00
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments	61,40,32	62,21,84	78,96,03	95,36,86
Other Loans and Advances	13,27,91	12,46,66	15,57,11	15,32,48
TOTAL	74,68,23	74,68,50	94,53,14	1,10,69,34
INTER-STATE SETTLEMENT—				
India and Burma	..	..	..	..
Centre and Mysore	..	..	..	..
Centre and Kerala	..	..	..	..
Centre and Madras	..	..	..	..
Centre and Bombay	..	..	3,97	..
TOTAL	..	..	3,97	..
TOTAL—I.—CONSOLIDATED FUND OF INDIA—RECEIPTS	45,22,67,33	57,77,45,64	56,15,44,12	61,97,10,34

Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA—*contd.*				
Excess of Expenditure over Revenue (from Statement A) . . .	..	28,01,67	59,94,50	58,31,86
CAPITAL ACCOUNTS NOT MET FROM REVENUE—				
Railway Capital (as shown in Railway Budget) . . .	1,51,89,63	1,38,83,59	1,20,88,41	1,21,81,34
Posts & Telegraphs . .	10,82,84	10,82,00	11,16,56	15,44,49
Forest	9,29	9,51	9,00	13,97
Security Printing Press .	1,62	11,07	5,43	11,00
Irrigation	13,68	19,46	18,04	14,01
Agricultural Improvement and Research	84,93	1,78,70	75,13	4,93,47
Industrial Development . .	1,47,57,31	1,93,08,89	1,88,65,70	54,28,16
Civil Aviation . . .	2,55,31	3,28,67	2,23,81	4,38,27
Broadcasting	36,73	1,15,00	80,00	1,05,00
Ports	1,74,95	3,92,57	2,35,34	2,42,53
Currency and Coinage . .	14,47	69,14	3,58,00	98,62,71
Mint	28,38	46,20	49,45	48,54
Delhi Capital Outlay . .	3,85,43	6,44,70	6,94,70	7,39,05
Multi-purpose River Schemes .	3,28,18	4,22,00	3,42,00	3,22,98
Civil Works	14,17,14	15,27,80	17,27,80	18,37,95
Electricity Schemes . . .	29,64	53,97	38,75	84,95
Capital Outlay on Other Works	70,70	1,49,80	1,14,00	1,48,64
Road and Water Transport Schemes	12,00	15,00	15,00	16,50
Capital Outlay on Shipping, Tankers, etc.	41,09	58,50	..	78,30
Dandakaranya Development Scheme	4,95	2,99,75	1,23,72	5,72,50
Payments of Commuted Value of Pensions	—5,17	—33,01	—37,84	—36,16
Capital Outlay on Sterling Pensions	—9,35,44	—24,88,76	—38,22,10	—3,58,98
Compensation to Displaced Persons	12,60,61	13,33,31	6,06,31	4,54,61
Payments to Retrenched Personnel	—55	—15	—12	—7
Transfer of Development assistance from the Government of U.S.A.	12,03,99	78,47,18	18,77,83	57,38,81
Defence Capital Outlay . .	22,93,22	27,00,00	27,90,00	32,74,00
Schemes of Government Trading	46,56,01	2,90,56	29,02,80	32,03,68
Grants for Development . .	7,45,05	8,69,17	9,19,79	12,92,50
TOTAL . . .	4,31,55,99	4,91,34,62	4,14,17,51	4,77,52,75
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT—				
15-Year Annuity Certificates .	8,31	15,00	12,00	20,00
Other Loans	67,38,81	20,00,00	21,50,00	1,17,47,00
CARRIED OVER . . .	67,47,12	20,15,00	21,62,00	1,17,67,00
CARRIED OVER . .	4,31,55,99	5,19,36,29	4,74,12,01	5,35,84,61

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA—*contd.*				
Brought forward	4,31,55,99	5,19,36,29	4,74,12,01	5,35,84,61
Brought forward	67,47,12	20,15,00	21,62,00	1,17,67,00
II.—FLOATING DEBT—				
Treasury Bills	37,77,22,00	50,66,36,00	47,99,32,75	52,28,20,00
Other Floating Loans	4,80,00	3,43,00	3,37,00	3,43,00
TOTAL	37,82,02,00	50,69,79,00	48,02,69,75	52,31,63,00
B.—*Debt raised in England*—				
PERMANENT DEBT—				
India Stocks	465	40,00	40,00	1,41
Railway Debenture Stocks	10			
State Railway Annuities	59,01	48,13	48,13	..
TOTAL	63,76	88,13	88,13	1,41
C.—Other Debt	6,57,16	7,12,26	6,58,54	9,35,86
TOTAL—PUBLIC DEBT	38,56,70,04	50,97,94,39	48,31,78,42	53,58,67,27
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments	2,75,97,72	2,79,32,65	3,00,41,59	2,91,07,75
Other Loans and Advances	58,33,25	55,59,83	1,15,90,53	2,06,36,16
TOTAL	3,34,30,97	3,34,92,48	4,16,32,12	4,97,43,91
INTER-STATE SETTLEMENT—				
India and Burma	..	..	..	..
Centre and Mysore	1,45,00	..	..	..
Centre and Kerala	..	12,00	12,00	..
Centre and Madras	..	..	4	5
Centre and Bombay	..	..	..	..
TOTAL	1,45,00	12,00	12,04	5
TOTAL—I.—CONSOLIDATED FUND OF INDIA—DISBURSEMENTS	46,24,02,00	59,52,35,16	57,22,34,59	63,91,95,84

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
RECEIPTS				
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Appropriations from the Consolidated Fund or from any Reserve Fund .	..	..	2,00,18	..
TOTAL II.—CONTINGENCY FUND OF INDIA—RECEIPTS .	..	..	2,00,18	..
DISBURSEMENTS				
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Expenditure out of advances from the Contingency Fund of India .	2,00,18	..	..	..
TOTAL II.—CONTINGENCY FUND OF INDIA—DISBURSEMENTS	2,00,18	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposit of Service Funds	2,69	2,56	2,52	2,47
Post Office Savings Bank Deposits	1,79,87,12	1,90,00,00	1,88,00,00	2,20,00,00
10-Year Treasury Savings Deposit Certificates	6,77,02	18,50,00	6,92,00	11,00,00
12-Year National Plan Savings Certifictes	71,46,92	90,00,00	83,75,00	90,50,00
Cumulative Time Deposits	..	2,50,00	50,00	2,00,00
Post Office Cash Certificates	—43	..	..	..
Defence Savings Certificates	—49	..	..	..
Defence Savings Bank Deposits	..	..	..	..
National Savings Certificates	4,79,78	..	..	..
10-Year National Plan Certificates	1,27,67	..	..	..
State Provident Funds	42,21,80	40,63,03	43,24,94	44,86,52
Special Loans	..	..	..	..
Other Accounts	2,71,50	2,67,52	3,00,94	3,13,85
TOTAL	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
DEPOSITS AND ADVANCES—				
Depreciation and other Reserve Funds:—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	51,08,62	50,26,72	49,33,13	49,12,47
Railway Development Fund as shown in Railway Budget	13,63,75	27,51,57	23,21,07	32,06,95
P. & T. Renewals Reserve Fund	2,72,80	2,78,10	2,78,63	3,60,52
Telephone Development Fund	65,91	65,00	75,00	70,00
Other Reserve Funds	14,55	72,82	2,05,09	2,13,69
(*b*) *Non-interest bearing*—				
Other Reserve Funds	19,79	23,58	32,43	32,69
Appropriation for Reduction or Avoidance of Debt	5,00,00	5,00,00	5,00,00	5,00,00
Carried over	73,45,42	87,17,79	83,45,35	92,96,32
Carried over	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1957-58	Budget Estimate 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought Forward	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
Brought Forward	73,45,42	87,17,79	83,45,35	92,96,32
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	4,27,20	40,00	40,00	40,00
Account of Compulsory Deposits of Excess Profits Tax under the Indian Finance Act, 1942	..	..	..	..
Deposits towards Payment of Estate Duty	—10	..	..	..
Deposits under Section 10(2B) of the Indian Income Tax Act.	1,30,74	10,00,00	..	..
Deposits of Trusts for Indian Princes	5,20	5,04	5,04	4,87
Other Deposits	26,27	..	..	..
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve	1,51,70	..	..	..
Central Road Fund	4,40,30	5,01,25	3,99,29	4,50,97
Fund for the Benefit of Cotton-growers	37,38	25,00	17,36	30,42
Cotton Textiles Fund	..	..	..	..
Sugar (Temporary) Excise Fund	7,18	7,83	..	..
Reserve Fund for Protection of Sugar Industry	83	..	..	..
Fund for Relief for Groundnut Cultivators	..	16	13	10
Fund for Relief of Linseed Cultivators	..		..	..
Carried over	85,72,12	1,02,97,07	88,07,17	98,22,68
Carried over	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84

C—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
Brought forward . .	85,72,12	1,02,97,07	88,07,17	98,22,68
Fund for Development of Handloom and Khadi Industries .	9,79,34	8,57,00	9,46,33	8,80,00
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat . .	5,90,78	..	12,02,08	12,02,08
Fund from the sale proceeds of Wheat received under the Colombo Plan	44,78	..	1,71,29	1,71,29
Fund from other Assistance under the Colombo Plan . .	10,59,63	3,86,33	9,16,07	7,91,13
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement . . .	3,80,48	20,62,76	11,11,86	13,42,20
Fund from the sale proceeds of American Loan Commodities .	12,04,20	10,47,00	12,77,83	2,38,81
Fund for Assistance from Norway for Fisheries Community Development	2,64	25,00	10,79	25,00
Assistance under P. L. 480 . .	..	82,00,00	7,00,00	70,00,00
Coal Mines Labour Housing and General Welfare Fund . .	1,49,45	1,20,49	1,52,38	1,52,38
Mica Mines Labour Welfare Fund .	21,55	20,00	23,00	20,00
Coal Production Fund . . .	11,44	..	..	..
Iron and Steel Equalisation Fund .	24,62,10	19,47,24	19,47,24	16,16,16
Workmen's Benefit Fund . .	..	..	..	..
Post Office Certificates and Cumulative Time Deposits Bonus Fund	1,94,46	1,37,96	1,13,36	3,46,10
Deposits of Local Funds . .	6,30,19	5,07,03	5,14,15	5,21,09
Civil Deposits	2,25,90,33	1,96,12,04	1,77,68,39	1,78,78,21
Other Deposits	58,74,69	54,92,92	58,00,56	60,31,44
Carried over . . .	4,47,68,18	5,07,12,84	4,14,62,50	4,80,38,57
Carried over . . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
Brought forward . .	4,47,68,18	5,07,12,84	4,14,62,50	4,80,38,57
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge . .	1,28	8,00	7,00	7,10
Deferred Pay to Indian Troops .	..	1,50,00	1,47,45	1,47,57
Post-war Reconstruction Fund .	..	..	..	..
Deposit account of the assistance given by the Ford Foundation .	3,83,13	2,48,02	20,00	30,00
Other Accounts			85,11	84,13
Accounts with the Government of Burma	9	67	55	43
Accounts with the Reserve Bank .	4,26	1,40,22	1,06,56	1,06,26
Other Advances	1,68,73,26	1,59,32,31	1,87,74,94	1,92,49,57
Value of One-rupee Notes issued .	5,00,00	5,00,00	5,00,00	5,00,00
Sales of Lease-Lend Silver (net)	..	..	..	..
Cash Balance Investment Account (net)	5,48	5,35	5,80	2,05,71
Discount Sinking Fund . .	1,46,31	1,72,72	1,73,10	1,94,94
Bonus on Loans	..	..	..	..
Other Suspense Accounts (net) .	..	98,15	32,75,31	8,06,49
Cheques and Bills (net) . . .	..	1,00,00	83,66	..
Departmental and Similar Accounts (net)	..	2,68,59	62,24	70,48
Miscellaneous	1,45,38	86,10	1,39,35	94,49
TOTAL . .	6,28,27,37	6,84,22,97	6,48,43,57	6,95,35,74
Carried over . .	9,37,40,95	10,28,56,08	9,73,88,97	10,66,88,58

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

RECEIPTS	Accounts, 1957-58	Budget Estimate 1958-59	Revised Estimate 1958-59	Budget Estimate 1959-60
III.—PUBLIC ACCOUNT—*concld.*				
Brought forward .	9,37,40,95	10,28,56,08	9,73,88,97	10,66,88,58
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . . .	2,62,62,99	2,80,00,00	2,82,00,00	2,90,50,00
Other Remittances	5,84,42	4,05,84	4,90,31	4,45,70
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs	32,27,49	46,58,12	34,82,98	39,41,28
Exchange Accounts between Civil and Defence Services .	1,89,30,98	2,12,84,64	2,10,46,28	2,16,76,96
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India . .	2,49,66,07	1,58,12,41	2,05,50,99	1,46,94,77
TOTAL . .	7,39,71,95	7,01,61,01	7,37,70,56	6,98,08,71
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	2,40,59,75	1,92,11,57	1,69,38,28	1,17,35,97
RESERVE BANK DEPOSITS— RAILWAYS	—1,61,93,24	—1,52,25,26	—1,50,80,10	—1,28,17,88
TOTAL III—PUBLIC ACCOUNT RECEIPTS . . .	17,55,79,41	17,70,03,40	17,30,17,71	17,54,15,38
TOTAL—(I+II+III) . .	62,78,46,74	75,47,49,04	73,47,62,01	79,51,25,72
OPNING BALANCE . .	50,95,81	50,55,14	51,80,61	50,11,93
GRAND TOTAL . .	63,29,42,55	75,98,04,18	73,99,42,62	80,01,37,65

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposit of Service Funds	4,58	4,23	4,28	4,15
Post Office Savings Bank Deposits	1,62,45,75	1,65,00,00	1,70,00,00	2,00,00,00
10-Year Treasury Savings Deposit Certificates	1,21,28	1,50,00	1,22,00	2,50,00
12-Year National Plan Savings Certificates	3,20	4,00,00	3,75,00	5,00,00
Cumulative Time Deposits	..	..	..	..
Post Office Cash Certificates	88,25	90,00	80,00	70,00
Defence Savings Certificates	2,08	3,00	3,00	3,00
Defence Savings Bank Deposits	2	..	..	..
National Savings Certificates	27,15,89	26,57,00	26,82,00	28,27,00
10-Year National Plan Certificates	3,52,67	4,50,00	2,20,00	3,00,00
State Provident Funds	22,93,49	21,92,15	26,90,45	24,77,62
Special Loans	48	48	48	48
Other Accounts	1,58,91	1,83,49	1,84,71	1,82,50
TOTAL	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75
DEPOSITS AND ADVANCES—				
Depreciation and Other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	63,62,09	69,51,66	81,88,08	66,66,07
Railway Development Fund as per Railway Budget	25,53,21	36,70,32	30,40,48	32,06,95
P. & T. Renewals Reserve Fund	1,13,79	1,33,00	1,33,00	1,46,36
Telephone Development Fund	33,84	1,80,00	1,80,00	1,60,00
Other Reserve Funds	94,02	1,23,25	2,64,67	2,38,64
(*b*) *Non-interest bearing*—				
Other Reserve Funds	19,65	26,80	27,84	24,67
Appropriation for Reduction or Avoidance of Debt—				
Sinking Funds	..	..	..	..
OTHER DEPOSITS AND ADVANCES—				
(*a*) *Interest bearing*—				
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	1,27,61	42,50	70,50	42,40
Account of Compulsory Deposits of Excess Profits Tax under the Indian Finance Act, 1942	1	..	..	..
Carried over	93,04,22	1,11,27,53	1,19,04,57	1,04,85,09
Carried over	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75
Brought forward	93,04,22	1,11,27,53	1,19,04,57	1,04,85,09
Deposits under Section 10(2B) of the Indian Income Tax Act	28,86	3,00,00	3,67,00	..
Deposits of Trusts for Indian Princes	22,11	22,11	22,11	22,11
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve	..	..	..	..
Central Road Fund	3,29,85	5,90,67	5,45,76	5,88,07
Fund for the Benefit of Cotton growers	32,93	77,38	62,80	56,00
Cotton Textiles Fund	17,99	38,96	34,52	32,15
Sugar (Temporary) Excise Fund	1,41	6,25	..	1,54,06
Reserve Fund for Protection of Sugar Industry	..	..	..	..
Fund for Relief of Groundnut Cultivators	4	9	9	16
Fund for Relief of Linseed Cultivators	15	25	20	2
Fund for Development of Handloom and Khadi Industries	8,78,56	8,57,00	10,85,70	8,26,70
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat	3,76,00	..	18,21,83	12,02,08
Fund from the sale proceeds of Wheat received under the Colombo Plan	..	..	2,94,49	1,71,29
Fund from other Assistance under the Colombo Plan	3,72,25	2,57,43	2,89,22	7,11,30
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement	5,96,43	11,63,39	10,58,86	10,37,06
Fund from the sale proceeds of American Loan Commodities	1,18,40	..	..	..
Fund from Assistance from Norway for Fisheries Community Development	2,67	25,00	10,79	25,00
Assistance under P.L. 480	..	21,00,00	5,00,00	5,00,00
Coal Mines Labour Housing and General Welfare Fund	1,20,01	2,75,19	1,43,01	2,39,00
Mica Mines Labour Welfare Fund	10,25	24,72	18,01	29,58
Coal Production Fund	1,11,57	..	..	..
Iron and Steel Equalisation Fund	24,62,10	28,82,06	22,26,13	9,12,22
Workmen's Benefit Fund	..	52	1,69	..
Post Office Certificates and Cumulative Time Deposits Bonus Fund	26,15	49,09	46,46	1,32,11
Deposits of Local Funds	5,45,95	5,24,30	4,87,73	4,95,81
Civil Deposits	2,43,94,78	1,95,78,84	1,76,41,87	1,76,45,27
Other Deposits	53,58,73	49,16,56	55,45,52	55,35,44
Deposits of Income Tax, Super Tax Excess Profits Tax including Interest and Surcharge	80,54	22,00	23,10	15,60
Carried over	4,51,91,95	4,48,39,34	4,41,31,46	4,08,16,12
Carried over	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75

C.—Statement of the Receipts and Disbursements of the Central Government—*concld.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*concld*				
Brought forward	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75
Brought forward	4,51,91,95	4,48,39,34	4,41,31,46	4,08,16,12
Deferred Pay to Indian Troops	..	40,00	1,29,50	1,16,00
Post-War Reconstruction Fund	..	1,00	50	1,55
Deposit account of the assistance given by the Ford Foundation	2,67,38	1,97,05	91,47	84,70
Other Accounts			88,59	89,47
Account with the Government of Burma	1,11	1,77	2,10	10,90
Accounts with the Reserve Bank	1,93	1,38,06	1,00,81	1,01,64
Other Advances	1,76,31,50	1,68,53,84	1,87,15,04	1,91,51,33
Value of One-rupee Notes issued	..	..	..	..
Sales of Lease-Lend Silver (net)	..	..	..	..
Cash Balance Investment Account (net)	..	..	..	..
Discount Sinking Fund	28,29	..	1,71,37	..
Bonus on Loans	..	..	..	..
Other Suspense Accounts (net)	18,38,55	..	..	..
Cheques and Bills (net)	2,89,74	..	..	1,54,22
Departmental and Similar Accounts (net)	1,23,79	..	..	..
Miscellaneous	4,42,14	86,28	3,55,72	95,16
TOTAL	6,58,16,38	6,21,57,34	6,37,86,56	6,06,21,09
REMITTANCES—				
I—REMITTANCES WITHIN INDIA—				
Inland Money Orders	2,62,40,43	2,80,50,00	2,81,50,00	2,90,00,00
Other Remittances	5,39,94	4,68,42	4,59,19	4,06,54
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs	26,97,10	46,58,12	34,82,98	39,41,28
Exchange Accounts between Civil and Defence Services	1,95,01,76	2,12,84,64	2,10,46,28	2,16,76,96
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India	2,21,67,97	1,58,12,41	2,05,50,99	1,46,94,77
TOTAL	7,11,47,20	7,02,73,59	7,36,89,44	6,97,19,55
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	2,24,02,82	1,92,11,57	1,69,38,28	1,17,35,97
RESERVE BANK DEPOSITS—				
RAILWAYS	—1,61,93,24	—1,52,25,26	—1,50,80,10	—1,28,17,88
TOTAL III—PUBLIC ACCOUNT DISBURSEMENTS	16,51,59,76	15,90,47,59	16,26,96,10	15,58,73,48
TOTAL—(I+II+III)	62,77,61,94	75,42,82,75	73,49,30,69	79,50,69,32
Closing Balance	51,80,61	55,21,43	50,11,93	50,68,33
GRAND TOTAL	63,29,42,55	75,98,04,18	73,99,42,62	80,01,37,65

NOTE

Under Article 113(2) of the Constitution, the estimates of expenditure to be met from the Consolidated Fund of India, other than expenditure "Charged" upon the Fund, are to be submitted in the form of Demands for Grants for obtaining the vote of the Lok Sabha. Rule 206 of the Rules of Procedure and Conduct of Business in Lok Sabha, 1957 lays down that, subject to the discretion of the Minister of Finance, a separate Demand shall ordinarily be made for each Ministry of the Government and that each Demand shall contain, first, a statement of the total grant proposed and then a statement of the detailed estimates under each grant divided into items.

2. The Demands for Grants of the Central Government have been arranged by Ministries on whose behalf they are presented and have been included in separate Volumes for each Ministry. At the commencement of the Demands relating to a Ministry a statement has been added, where necessary, giving, for facility of reference, the total expenditure controlled by the Ministry and expenditure included in the various Demands presented on its behalf. The estimates of expenditure "Charged" upon the Consolidated Fund of India and which, in accordance with Article 113(1) of the Constitution, are not submitted to the vote of Lok Sabha have also been indicated in italics in the respective Demands. The estimated recoveries of expenditure, if any, have been indicated in a 'Note' below each Demand for Grant. Since these are excluded from the demands they are not available for spending by the controlling authorities. Part III of each Demand shows the distribution of the estimates among the various Circles of Account viz. "India", "Andhra Pradesh", etc. in which the transactions are to be adjusted. A summary of the Demands for Grants and Charged Appropriations is given in this Volume so as to bring all the Demands in one place.

3. The accounts for the year 1957-58 have not been closed. The figures of actuals for that year shown in the Demands are therefore provisional.

SUMMARY OF DEMANDS FOR GRANTS

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1958-59 (3)	Revised Estimates 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account - (6)
1.—EXPENDITURE MET FROM REVENUE					
	Ministry of Commerce and Industry.				
1	Ministry of Commerce and industry. Voted	66,43	69,28	73,93	General Administration.
2	Industries. Voted	26,90,99	26,79,10	29,69,88	Industries and Supplies.
3	Salt. Voted	1,58,04	1,40,05	74,26	Industries and Supplies.
	Charged	*5,02*	*43*	*71*	Industries and Supplies.
	TOTAL	1,63,06	1,40,48	74,97	
4	Commercial Intelligence and Statistics Voted	79,81	72,44	81,23	Miscellaneous Departments.
5	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry Voted	1,90,64	2,43,31	2,79,16	Miscellaneous Departments and Miscellaneous.
	Ministry of Community Development and Co-operation.				
6	Ministry of Community Development and Co-operation. Voted	21,99	21,80	27,40	General Administration.
7	Community Development Projects, National Extension Service and Co-operation. Voted	13,13,27	13,08,21	20,58,44	Community Development and Co-operation.
	Ministry of Defence				
8	Ministry of Defence Voted	37,68	39,98	40,28	General Administrations,
9	Defence Services, Effective—Army. Voted	1,78,08,25	1,73,07,65	1,74,75,62	Defence Services.
	Charged	*2,50*	*5,50*	*10,00*	Defence Services.
	TOTAL	1,78,10,75	1,73,13,15	1,74,85,62	Defence Services.
10	Defence Services, Effective—Navy. Voted	16,65,08	16,65,08	18,40,00	Defence Services.
	Charged	*50*	*50*	*50*	Defence Services.
	TOTAL	16,65,58	16,65,58	18,40,50	
	TOTAL—CARRIED OVER Voted	2,40,32,18	2,35,46,90	2,49,20,20	
	Charged	*8,02*	*6,43*	*11,21*	
	TOTAL	2,40,40,20	2,35,53,33	2,49,31,41	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)		Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	TOTAL—BROUGHT FORWARD	Voted.	2,40,32,18	2,35,46,90	2,49,20,20	
		Charged.	*8,02*	*6,43*	*11,21*	
	TOTAL. . . .		2,40,40,20	2,35,53,33	2,49,31,41	
11	Defence Services, Effective—Air Force.	Voted .	88,54,15	83,77,48	59,79,41	Defence Services.
		Charged .	*50*	*50*	*50*	
	TOTAL . . .		88,54,65	83,77,98	59,79,91	
12	Defence Services—Non-effective Charges .					
		Voted .	13,70,49	13,60,94	15,31,20	
		Charged	*87,50*	*87,43*	*84,09*	
	TOTAL . . .		14,57,99	14,48,37	16,15,29	
	Ministry of Education					
13	Ministry of Education	Voted .	68,92	46,43	59,43	General Administration.
14	Education.	Voted .	25,37,10	23,28,46	31,13,48	Education.
15	Miscellaneous Departments and Other Expenditure under the Ministry of Education	Voted .	2,41,90	1,80,48	2,36,39	Miscellaneous Departments and Miscellaneous.
	Ministry of External Affairs					
16	Tribal Areas	Voted .	8,02,99	8,43,78	8,70,90	Tribal Areas.
17	Naga Hills—Tuensang Area	Voted .	3,64,57	3,12,66	3,44,33	Tribal Areas.
18	External Affairs	Voted .	8,78,80	8,78,81	9,76,16	General Administration and External Affairs.
19	State of Pondicherry .	Voted .	2,98,88	2,64,15	2,75,05	
		Charged .	*40*	*40*	*14*	Miscellaneous.
	TOTAL . .		2,99,28	2,64,55	2,75,19	
	TOTAL—CARRIED OVER	Voted .	3,94,49,98	3,81,40,09	3,83,06,55	
		Charged .	*96,42*	*94,76*	*95,94*	
	TOTAL . .		3,95,46,40	3,82,34,85	3,84,02,49	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)		Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	TOTAL—BROUGHT FORWARD	Voted.	3,94,49,98	3,81,40,09	3,83,06,55	
		Charged	*96,42*	*94,76*	*95,94*	
	TOTAL . . .		3,95,46,40	3,82,34,85	3,84,02,49	
20	Miscellaneous Expenditure under the Ministry of External Affairs.	Voted .	4,09	4,09	4,68	Miscellaneous.
	Ministry of Finance					
21	Ministry of Finance.	Voted .	1,58,77	1,57,75	1,48,05	General Administration.
22	Customs .	Voted .	4,16,27	3,85,29	3,96,57	Customs.
		Charged	*5*	*5*	*20*	
	TOTAL . . .		4,16,32	3,85,34	3,96,77	
23	Union Excise Duties.	Voted .	7,86,89	7,63,77	8,09,23	Union Excise Duties.
		Charged .	*68,97,33*	*72,99,30*	*72,39,98*	
	TOTAL . . .		76,84,22	80,63,07	80,49,21	
24	Taxes on Income including Corporation tax, etc.	Voted .	5,41,40	5,23,59	5,64,44	Corporation Tax, Taxes on Income, etc.
		Charged .	*1,23*	*1,23*	*1,34*	
	TOTAL . . .		5,42,63	5,24,82	5,65,78	
25	Opium	Voted .	2,42,18	2,70,23	3,09,94	Opium.
26	Stamps	Voted .	2,34,05	2,55,85	2,78,75	Stamps.
		Charged .	*8,48*	*8,48*	*8,32*	
	TOTAL . . .		2,42,53	2,64,33	2,87,07	
27	Audit	Voted .	10,02,58	9,96,66	10,58,06	Audit.
		Charged .	*20,47*	*20,43*	*20,56*	
	TOTAL . . .		10,23,05	10,17,09	10,78,62	
28	Currency	Voted .	3,70,14	3,45,10	3,90,23	Currency.
		Charged.	*11,12*	*8,82*	*16,31*	
	TOTAL . .		3,81,26	3,53,92	4,06,54	
29	Mint.	Voted .	4,77,07	5,73,37	5,88,39	Mint.
30	Territorial and Political Pensions.	Voted .	22,09	21,20	25,34	Territorial and Political Pensions.
31	Superannuation Allowances and Pensions.	Voted .	3,51,00	3,64,00	3,76,46	Superannuation Allowances and pensions.
		Charged.	*33,33*	*33,33*	*33,00*	
	TOTAL . . .		3,84,33	3,97,33	4,09,46	
	TOTAL—CARRIED OVER	Voted .	4,40,56,51	4,28,00,99	4,32,56,69	
		Charged.	*70,68,43*	*74,66,40*	*74,15,65*	
	TOTAL . .		5,11,24,94	5,02,67,39	5,06,72,34	

(Amount in thousands of Rs.)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1958-59	Revised Estimates, 1958-59	Budget Estimates, 1959-60	Head of Account
(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL—BROUGHT FORWARD Voted .	4,40,56,51	4,28,00,99	4,32,56,69	
	Charged .	*70,68,43*	*74,66,40*	*74,15,65*	
	TOTAL . . .	5,11,24,94	5,02,67,39	5,06,72,34	
32	Miscellaneous Departments and Expenditure under the Ministry of Finance. Voted.	31,09,44	25,51,57	44,00,23	Distributed over respective heads of Account.
	Charged.	*1*	..	..	
	TOTAL .	31,09,45	25,51,57	44,00,23	
33	Planning Commission . Voted .	2,10,00	1,92,25	2,27,86	Miscellaneous.
34	Miscellaneous. Adjustments between the Union and State Governments. Voted.	6,66	9,70	18,98	Miscellaneous Adjustments between Union and State Governments.
35	Pre-partition Payments. Voted .	34,42	36,83	21,92	Pre-partition payments.
	Charged.	*2,85*	*2,97*	*5,37*	
	TOTAL .	37,27	39,80	27,29	
	Interest on Debt and Other Obligations and Reduction or Avoidance of Debt. ..				
	Charged .	*1,39,42,93*	*1,40,92,93*	*1,68,21,81*	Interest on Debt and other obligations and Reduction or Avoidance of Debt.
	Grants-in-aid to States *Charged.*	*46,96,70*	*46,85,07*	*48,84,10*	Grants-in-aid to States.
	Ministry of Food and Agriculture				
36	Ministry of Food and Agriculture. Voted .	73,54	69,20	75,46	General Administration.
37	Forest Voted .	2,56,26	2,22,41	2,59,30	Forest.
38	Agriculture. Voted .	15,72,49	10,75,18	10,04,83	Agriculture.
	Charged .	*1*	..	..	
	TOTAL . .	15,72,50	10,75,18	10,04,83	
	TOTAL—CARRIED OVER Voted .	4,93,19,32	4,69,58,13	4,92,64,37	
	Charged .	*2,57,10,93*	*2,62,47,37*	*2,91,27,00*	
	TOTAL . .	7,50,30,25	7,32,05,50	7,83,91,37	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)		Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account. (6)
	TOTAL—BROUGHT FORWARD	Voted	4,93,19,32	4,69,58,13	4,92,64,37	
		Charged	*2,57,10,93*	*1,62,47,37*	*2,91,27,00*	
	TOTAL		7,50,30,25	7,32,05,50	7,83,91,37	
39	Agricultural Research	Voted	..	4,39,41	4,93,75	Agriculture.
40	Animal Husbandry	Voted	1,48,25	1,36,54	2,62,73	Animal Husbandry.
41	Miscellaneous Departments and other Expenditure under the Ministry of Food and Agriculture.	Voted	13,80,85	13,80,85	11,76,09	Distributed over respective heads of Account.
		Charged	..	..	*4,01*	
		TOTAL	13,80,85	13,80,85	11,80,10	
	Ministry of Health					
42	Ministry of Health.	Voted	13,71	13,52	14,09	General Administration.
43	Medical Services.	Voted	5,18,73	5,18,73	6,63,09	Medical Services.
44	Public Health.	Voted	14,06,97	14,06,97	16,53,07	Public Health.
45	Miscellaneous Departments and Expenditure under the Ministry of Health.	Voted	87,61	73,67	87,93	Miscellaneous Departments and Miscellaneous.
	Ministry of Home Affairs					
46	Ministry of Home Affairs	Voted	2,73,56	2,71,37	2,89,89	General Administration.
47	Cabinet	Voted	35,34	35,34	37,33	
48	Zonal Councils.	Voted	4,44	3,29	3,69	
49	Administration of Justice.	Voted	2,25	2,28	2,49	Administration of Justice.
		Charged	*14,87*	*14,86*	*15,87*	
	TOTAL		17,12	17,14	18,36	
50	Police	Voted	4,93,68	4,93,68	5,43,43	Police.
51	Census	Voted	8,34	6,20	18,51	Miscellaneous Departments.
52	Statistics	Voted	1,81,12	1,73,24	1,89,04	Do.
53	Privy Purses and Allowances of Indian Rulers.	Voted	4,91	5,47	5,15	Privy Purses, etc.
		Charged	*5,41,84*	*5,41,93*	*5,36,78*	
	TOTAL		5,46,75	5,47,40	5,41,93	
	TOTAL—CARRIED OVER.	Voted	5,38,79,08	5,19,18,69	5,47,04,65	
		Charged	*2,62,67,64*	*2,68,04,16*	*2,96,83,66*	
	TOTAL		8,01,46,72	7,87,22,85	8,43,88,31	

(Amount in thousands of Rs.)

No. of Demand	Service, Administration or Area to which Demand relates		Budget Estimates, 1958-59	Revised Estimates, 1958-59	Budget Estimates, 1959-60	Head of Account
(1)	(2)		(3)	(4)	(5)	(6)
	TOTAL BROUGHT FORWARD	Voted	5,38,79,08	5,19,18,69	5,47,04,65	
		Charged	*2,62,67,64*	*2,68,04,16*	*2,96,83,66*	
	TOTAL		8,01,46,72	7,87,22,85	8,43,88,31	
54	Delhi	Voted	7,73,27	9,68,27	10,89,84	Distributed over respective heads of account.
		Charged	*51*	*51*	*30*	
	TOTAL		7,73,78	9,68,78	10,90,14	
55	Himachal Pradesh.	Voted	4,62,40	4,62,40	5,82,91	
		Charged	*1,84*	*1,84*	*2,17*	
	TOTAL		4,64,24	4,64,24	5,85,08	
56	Andaman and Nicobar Islands.	Voted	2,77,91	2,68,63	3,11,39	
57	Manipur	Voted	2,16,72	1,95,61	2,33,89	
58	Tripura	Voted	3,28,73	3,18,73	3,72,62	
		Charged	*50*	*50*	*50*	
	TOTAL		3,29,23	3,29,23	3,73,12	
59	Laccadive, Minicoy and Amindivi Islands.	Voted	19,74	14,79	18,83	
60	Miscellanceous Departments and Expenditure under the Ministry of Home Affairs.	Voted	8,75,72	7,51,00	11,66,04	Miscellaneous Departments and Miscellaneous.
	Ministry of Information and Broadcasting					
61	Ministry of Information and Broadcasting.	Voted	13,49	13,49	14,37	General Administration.
62	Broadcasting	Voted	4,01,00	4,22,29	4,64,47	Broadcasting.
63	Miscellaenous Departments and Expenditure under the Ministry of Information and Broadcasting.	Voted	3,34,11	2,90,81	3,43,51	Miscellaneous Departments and Miscellaneous.
	TOTAL—CARRIED OVER	Voted	5,75,82,17	5,56,34,71	5,93,02,52	
		Charged	*2,62,70,49*	*2,68,07,01*	*2,96,86,83*	
	TOTAL		8,38,52,66	8,24,41,72	8,89,89,15	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	TOTAL—BROUGHT FORWARD Voted	5,75,82,17	5,56,34,71	5,93,02,52	
	Charged	*2,62,70,49*	*2,68,07,01*	*2,96,86,63*	
	TOTAL	8,38,52,66	8,24,41,72	8,89,89,15	
	Ministry of Irrigation and Power				
64	Ministry of Irrigation and Power. Voted	19,67	21,31	24,32	General Administration.
65	Multi-Purpose River Schemes Voted	1,28,07	1,38,07	1,91,37	Multi-purpose River Schemes.
66	Miscellaneous Departments and other Expenditure under the Ministry of Irrigation and Power. Voted	1,05,10	1,05,10	1,66,37	Distributed over respective heads of Account.
	Ministry of Labour and Employment				
67	Ministry of Labour and Employment. Voted	17,47	20,17	20,06	General Administration.
68	Chief Inspector of Mines. Voted	23,04	17,60	21,53	Scientific Departments.
69	Miscellaneous Departments and other Expenditure under the Ministry of Labour and Employment. Voted	8,80,17	7,46,82	10,52,64	Distributed over respective heads of Account.
	Ministry of Law				
70	Ministry of Law. Voted	24,83	23,33	25,85	General Administration.
71	Elections. Voted	1,81,41	1,80,90	90,93	General Administration.
	Ministry of Rehabilitation				
72	Ministry of Rehabilitation. Voted	40,45	38,12	37,32	General Administration.
73	Expenditure on Displaced Persons and Minorities. Voted	20,48,25	24,75,25	19,69,18	Miscellaneous.
	Charged	..	*1*	..	
	TOTAL	20,48,25	24,75,26	19,69,18	
	Ministry of Scientific Research and Cultural Affairs				
74	Ministry of Scientific Research and Cultural Affairs Voted	..	19,60	29,32	General Administration.
75	Archaeology Voted	1,09,70	1,04,20	1,07,05	Scientific Departments.
76	Survey of India Voted	1,71,11	1,67,10	1,61,14	Scientific Departments.
	TOTAL—CARRIED OVER Voted	6,13,31,44	5,96,92,28	6,31,99,60	
	Charged	*2,62,70,49*	*2,68,07,02*	*2,96,86,63*	
	TOTAL	8,76,01,93	8,64,99,30	9,28,86,23	

(Amount of thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	TOTAL—BROUGHT FORWARD Voted	6,13,31,44	5,96,92,28	6,31,99,60	
	Charged	*2,62,70,49*	*2,68,07,02*	*2,96,86,63*	
	TOTAL	8,76,01,93	8,64,99,30	9,28,86,23	
77	Botanical Survey. Voted	12,50	11,86	15,35	Scientific Departments
78	Zoological Survey Voted	11,87	9,07	11,35	Scientific Departments
79	Scientific Research and Cultural Affairs Voted	6,95,65	9,33,22	13,06,98	Scientific Departments and Education
80	Miscellaneous Departments and Expenditure under the Ministry of Scientific Research and Cultural Affairs Voted	..	31,79	36,86	Miscellaneous Departments and Miscellaneous.
	Ministry of Steel, Mines and Fuel				
81	Ministry of Steel, Mines and Fuel Voted	33,49	33,49	40,34	General Administration.
82	Geological Survey Voted	1,31,85	1,19,53	2,21,05	Scientific Departments.
83	Exploration of Oil and Natural Gas Voted	2,18,35	1,74,24	3,38,55	Scientific Departments.
84	Miscellaneous Departments and Other Expenditure under the Ministry of Steel, Mines and Fuel Voted	49,62,52	43,46,20	27,06,98	Miscellaneous Departments and Miscellaneous.
	Ministry of Transport and Communications				
85	Ministry of Transport and Communications Voted	76,62	79,22	54,56	General Administration.
86	Indian Posts and Telegraph Department (including Working expenses) Voted	62,96,98	62,67,98	66,34,47	Posts and Telegraphs.
	Charged	*3,17,17*	*3,18,44*	*3,63,01*	
	TOTAL	66,14,15	65,86,42	69,97,48	
87	Mercantile Marine Voted	62,10	60,77	68,94	Mercantile Marine
88	Lighthouses and Lightships Voted	1,38,96	1,20,23	1,28,87	Lighthouses and Lightships.
89	Meteorology Voted	1,61,46	1,54,53	1,62,47	Scientific Departments.
90	Overseas Communications Service Voted	1,16,76	1,16,75	1,28,54	Industries and Supplies.
	Charged	*7,00*	*7,00*	*8,32*	
	TOTAL	1,23,76	1,23,75	1,36,86	
	TOTAL—CARRIED OVER Voted	7,42,50,55	7,21,51,16	7,50,54,91	
	Charged	*2,65,94,66*	*2,71,32,46*	*3,00,57,96*	
	TOTAL	10,08,45,21	9,92,83,62	10,51,12,87	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	TOTAL—BROUGHT FORWARD				
	Voted	7,42,50,55	7,21,51,16	7,50,54,91	
	Charged	*2,65,94,66*	*2,71,32,46*	*3,00,57,96*	
	TOTAL	10,08,45,21	9,92,83,62	10,51,12,87	
91	Aviation Voted	3,79,52	3,69,64	7,09,37	Aviation.
92	Central Road Fund. Voted	4,28,99	3,53,97	3,88,63	Civil Works.
93	Communications (including National Highways) Voted	6,03,69	6,11,70	6,64,37	Civil Works.
94	Miscellaneous Departments and Other Expenditure under the Ministry of Transport and Communications Voted	1,38,68	1,25,19	1,71,17	Distributed over respective heads of Account.
	Ministry of Works, Housing and Supply				
95	Ministry of Works, Housing and Supply Voted	56,71	56,61	63,24	General Administration.
96	Supplies Voted	2,71,95	2,77,07	2,82,75	Industries and Supplies.
	Charged	..	*75*	*2,17*	
	TOTAL	2,71,95	2,77,82	2,84,92	
97	Other Civil Works Voted	25,12,32	26,46,75	26,99,04	Civil Works.
	Charged	*41,56*	*40,83*	*28,23*	
	TOTAL	25,53,88	26,87,58	27,27,27	
98	Stationery and Printing VOTED	7,19,67	8,10,75	7,77,42	Stationery and Printing.
99	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply Voted	88,56	88,56	1,18,96	Miscellaneous Departments and Miscellaneous.
	Department of Atomic Energy				
100	Department of Atomic Energy Voted	9,08	10,08	13,25	General Administration.
101	Atomic Energy Research Voted	3,30,80	3,25,80	4,40,70	Scientific Departments.
	Department of Parliamentary Affairs.				
102	Department of Parliamentary Affairs Voted	2,25	1,97	2,32	General Administration.
	Parliament, Secretariats of the President and Vice President and Union Public Service Commission				
103	Lok Sabha				
	Voted	1,03,03	91,56	99,99	General Administration.
	Charged	*67*	*64*	*67*	
	TOTAL	1,03,70	92,20	1,00,66	
	TOTAL—CARRIED OVER				
	Voted	7,98,95,80	7,79,20,81	8,14,86,12	
	Charged	*2,66,36,89*	*2,71,74,68*	*3,00,89,03*	
	TOTAL	10,65,32,69	10,50,95,49	11,15,75,15	

(Amount in thousands of Rs.)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1958-59	Revised Estimates, 1958-59	Budget Estimates, 1959-60	Head of Account
(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL—BROUGHT FORWARD				
	Voted	7,98,95,80	7,79,20,81	8,14,86,12	
	Charged	*2,66.36,89*	*2,71,74,68*	*3,00,89,03*	
	TOTAL	10,65,32,69	10,50,95,49	11,15,75,15	
104	Miscellaneous Expenditure under Lok Sabha				
	Voted	34	34	34	Miscellaneous.
105	Rajya Sabha				
	Voted	33,31	30,98	33,89	General Administration.
	Charged	*61*	*61*	*61*	
	TOTAL	33,92	31,59	34,50	
	Staff, House-hold and Allowances of the President.				
	Charged	*18,37*	*24,32*	*25,19*	General Administration.
106	Secretariat of the Vice-President Voted	59	39	64	General Administration.
	Union Public Service Commission.				
	Charged	*42,05*	*40,44*	*42,64*	General Administration.
	TOTAL { Voted	7,99,30,04	7,79,52,52	8,15,20,99	
	{ *Charged*	*2,66,97,92*	*2,72,40,05*	*3,01,57,47*	
	TOTAL—I. Expenditure met from Revenue(a)	10,66,27,96	10,51,92,57	11,16,78,46	
	(a) Expenditure shown in the Budget Statement	9,06,83,40	8,84,76,99	9,56,40,93	
	Add—Posts and Telegraphs—Working Expenses	58,15,84	57,81,17	61,43,36	
	Electricity Schemes—Working Expenses	8,37	11,44	11,59	
	Road Transport Schemes-Working Expenses	61,48	64,35	68,33	
	Amount of recoveries shown in reduction of expenditure	1,94,62,25	1,86,38,89	1,91,46,83	
		11,60,31,34	11,29,72,84	12,10,11,04	
	Deduct—Railway Expenditure	—94,03,38	—77,80,27	—93,32,58	
	TOTAL	10,66,27,96	10,51,92,57	11,16,78,46	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	II. EXPENDITURE MET FROM CAPITAL AND DISBURSEMENT OF LOANS AND ADVANCES:				
	Ministry of Commerce and Industry				
107	Capital Outlay of the Ministry of Commerce and Industry				
	Voted . .	12,93,89	21,51,36	16,25,35	Distributed over respective heads of Account.
	Ministry of Community Development And Co-operation.				
108	Capital Outlay of the Ministry of Community Development and Co-operation.				
	Voted . .	2,33,36	2,30,17	3,78,71	Distributed over respective heads of Account.
	Ministry of Defence				
109	Defence Capital Outlay				
	Voted . .	29,93,50	29,93,50	36,90,00	
	Charged .	*6,50*	*6,50*	*4,00*	Defence Capital Outlay.
	TOTAL . .	30,00,00	30,00,00	36,94,00	
	Ministry of Education				
110	Capital Outlay of the Ministry of Education				
	Voted . .	2,18,74	49	69,64	Distributed over respective heads of Account.
	Ministry of External Affairs				
111	Capital Outlay of the Ministry of External Affairs. Voted . .	46,44	73,28	68,32	Capital Outlay on Schemes of Government Trading.
	Ministry of Finance				
112	Capital Outlay on the India Security Press.				
	Voted . .	11,07	5,43	11,00	Capital Outlay on the India Security Press.
113	Capital Outlay on Currency and Coinage.				
	Voted . .	2,90,60	5,23,06	1,00,93,43	Currency Capital account out side the Revenue Account
114	Capital Outlay on Mints.				
	Voted . .	46,20	49,45	48,54	Capital Outlay on Mints.
115	Commuted Value of Pensions				
	Voted . .	45,81	45,81	45,35	Payments of Commuted Value of Pensions.
	Charged .	*1,00*	*64*	*1,00*	
	TOTAL . .	46,81	46,45	46,35	
	TOTAL—CARRIED OVER				
	Voted . .	51,79,61	60,72,55	1,60,30,34	
	Charged .	*7,50*	*7,14*	*5,00*	
	TOTAL .	51,87,11	60,79,69	1,60,35,34	

(Amount in thousands of Rs.)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1958-59	Revised Estimates, 1958-59	Budget Estimates, 1959-60	Head of Account
(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL—BROUGHT FORWARD				
	Voted . .	51,79,61	60,72,55	1,60,30,34	
	Charged .	*7,50*	*7,14*	*5,00*	
	TOTAL . .	51,87,11	60,79,69	1,60,35,34	
116	Payments to Retrenched Personnel.				
	Voted . .	12	12	6	Payments to retrenched Personnel.
117	Other Capital Outlay of the Ministry of Finance				
	Voted . .	89,85,87	36,68,11	64,75,41	Distributed over respective heads of Account.
118	Loans and Advances by the Central Government				
	Voted . .	78,01,83	1,23,01,83	2,11,99,96	Loans and Advances by the Central Government.
	Charged .	*2,84,51,32*	*3,26,51,32*	*3,12,68,99*	
	TOTAL . .	3,62,53,15	4,49,53,15	5,24,68,95	
	Repayment of Debt.				
	Charged .	*50,98,06,39*	*48,31,90,46*	*53,58,67,32*	
	Ministry of Food and Agriculture				
119	Capital Outlay on Forests				
	Voted . .	9,51	9,00	13,97	Capital Outlay on Forests.
120	Purchase of Foodgrains .				
	Voted . .	1,24,12,73	1,91,71,73	1,86,34,77	Capital Outlay on Schemes of Government trading.
	Charged .	*3,20*	*2,00*	*2,00*	
	TOTAL . .	1,24,15,93	1,91,73,73	1,86,36,77	
121	Other Capital Outlay of the Ministry of Food and Agriculture				
	Voted . .	30,12,22	29,94,81	36,43,55	Distributed Over respective heads of Account.
	Charged .	*4*	*11*	*15*	
	TOTAL . .	30,12,26	29,94,92	36,43,70	
	TOTAL CARRIED OVER				
	Voted . .	3,74,01,89	4,42,18,15	6,59,98,06	
	Charged .	*53,82,68,45*	*51,58,51,03*	*56,71,43,46*	
	TOTAL . .	57,56,70,34	56,00,69,18	63,31,41,52	

(Amount in thousands of Rs.)

No. of Demand	Service, Administration or Area to which Demand relates	Budget Estimates, 1958-59	Revised Estimates, 1958-59	Budget Estimates, 1959-60	Head of Account
(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL—BROUGHT FORWARD				
	Voted .	3,74,91,89	4,42,18,15	6,59,98,06	
	Charged .	*53,82,68,45*	*51,58,51,03*	*56,71,43,46*	
	TOTAL .	57,56,70,34	56,00,69,18	63,31,41,52	
	Ministry of Health				
122	Capital Outlay of the Ministry of Health				
	Voted .	9,79,38	9,87,48	12,47,97	Capital Outlay on Schemes of Government Trading.
	Ministry of Home Affairs				
123	Capital Outlay of the Ministry of Home Affairs				
	Voted .	112,61	55,32	81,02	Capital Outlay on Schemes of Government Trading.
	Ministry of Information and Broadcasting				
124	Capital Outlay on Broadcasting				
	Voted .	2,15,59	2,00,00	2,00,00	Capital Outlay on Broadcasting.
	Ministry of Irrigation and Power				
125	Capital Outlay on Multi-purpose River Schemes				
	Voted .	4,22,00	3,42,00	3,22,98	Capital Outlay on Multi-purpose River Schemes.
126	Other Capital Outlay of the Ministry of Irrigation and Power				
	Voted .	5,58,49	4,26,94	7,82,11	Distributed over respective heads of Account.
	TOTAL CARRIED OVER				
	Voted.	3,96,89,96	4,62,29,89	6,86,32,14	
	Charged .	*53,82,68,45*	*51,58,51,03*	*56,71,43,46*	
	TOTAL .	57,79,58,41	56,20,80,92	63,57,75,60	

(Amount in thousands of Rs.)

No. of Demand	Service, Administration or area to which Demand relates	Budget Estimates, 1958-59	Revised Estimates, 1958-59	Budget Estimates, 1959-60	Head of Account
(1)	(2)	(3)	(4)	(5)	(6)
	TOTAL BROUGHT FORWARD:				
	Voted .	3,96,89,96	4,62,29,89	6,86,32,14	
	Charged .	*53,82,68,45*	*51,58,51,03*	*56,71,43,46*	
	TOTAL .	57,79,58,41	56,20,80,92	63,57,75,60	
	Ministry of Labour and Employment				
127	Capital Outlay of the Ministry of Labour and Employment Voted .	11,55	8,31	3,49	Capital Outlay on Schemes of Government Trading.
	Ministry of Rehabilitation				
128	Capital Outlay of the Ministry of Rehabilitation. Voted .	21,00,00	16,25,00	20,20,00	Capital Outlay on Industrial Development.
	Ministry of Scientific Research & Cultural Affairs				
129	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs Voted .	..	2,46,35	2,37,85	Capital Outlay on Schemes of Government Trading.
	Ministry of Steel, Mines and Fuel				
130	Capital Outlay of the Ministry of Steel, Mines and Fuel. Voted .	1,72,91,88	1,61,20,35	24,07,20	Distributed Over respective heads of Account.
	Ministry of Transport and Communications				
131	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue) Voted .	30,09,25	30,09,25	34,18,41	Capital Outlay on Posts and Telegraphs.
132	Capital Outlay on Civil Aviation Voted. .	3,23,67	3,20,81	4,33,27	Capital Outlay on Civil Aviation.
	Charged .	*5,00*	*5,00*	*5,00*	
	TOTAL .	3,28,67	3,25,81	4,38,27	
	TOTAL—CARRIED OVER				
	Voted .	6,24,26,31	6,75,59,96	7,71,52,36	
	Charged .	*53,82,73,45*	*51,58,56,03*	*56,71,48,46*	
	TOTAL .	60,06,99,76	58,34,15,99	64,43,00,82	

(Amount in thousands of Rs.)

No. of Demand (1)	Service, Administration or Area to which Demand relates (2)	Budget Estimates, 1958-59 (3)	Revised Estimates, 1958-59 (4)	Budget Estimates, 1959-60 (5)	Head of Account (6)
	TOTAL—BROUGHT FORWARD : Voted	6,24,26,31	6,75,59,96	7,71,52,36	
	Charged	*53,82,73,45*	*51,58,56,03*	*56,71,48,46*	
	TOTAL	60,06,99,76	58,34,15,99	64,43,00,82	
133	Capital Outlay on Ports Voted	4,05,00	2,95,00	3,03,50	Capital Outlay on Ports.
134	Capital Outlay on Roads Voted	15,00,00	16,50,00	16,50,00	Capital Outlay on Roads.
135	Other Capital Outlay of the Ministry of Transport and Communications. Voted	11,27,11	10,87,42	8,76,10	Distributed over respective heads of Account.
	Ministry of Works, Housing and Supply				
136	Delhi Capital Outlay Voted	6,35,80	6,85,80	7,32,19	Delhi Capital Outlay.
	Charged	*8,90*	*8,90*	*6,86*	
	TOTAL	6,44,70	6,94,70	7,39,05	
137	Capital Outlay on Buildings. Voted	5,72,10	5,72,10	8,22,46	Capital account of Civil Work outside the Revenue Account.
	Charged	*5,70*	*5,70*	*49*	
	TOTAL	5,77,80	5,77,80	8,22,95	
138	Other Capital Outlay of the Ministry of Works, Housing and Supply. Voted	3,55,74	3,54,33	7,14,97	Distributed over respective heads of Account.
	Charged	..	*3*	..	
	TOTAL	3,55,74	3,54,36	7,14,97	
	Department of Atomic Energy.				
139	Capital Outlay of the Department of Atomic Energy. Voted	5,19,00	4,47,30	5,47,00	Distributed over respective heads of Account.
	TOTAL—II—EXPENDITURE MET FROM CAPITAL, ETC. Voted	6,75,41,06	7,26,51,91	8,27,98,58	
	Charged	*53,82,88,05*	*51,58,70,66*	*56,71,55,81*	
	TOTAL	60,58,29,11	58,85,22,57	64,99,54,39	
	GRAND TOTAL I & II Voted	14,74,71,10	15,[illegible]6,04,43	16,43,19,57	
	Charged	*56,49,85.97*	*54,[illegible]1,10,71*	*59,73,13,28*	
	TOTAL	71,24,57,07	69,37,15,14	76,16,32,85	

THE APPROPRIATION (VOTE ON ACCOUNT) BILL, 1959

(AS INTRODUCED IN LOK SABHA)

BILL

to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1959-60.

BE it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. Short title.—This Act may be called the Appropriation (Vote on Account) Act, 1959.

2. Withdrawal of Rs. 6,64,22,89,000 from and out of the Consolidated Fund of India for the financial year 1959-60.—From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of six hundred and sixty-four crores, twenty-two lakhs and eighty-nine thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1959-60.

3. Appropriation.—The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(see section 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	6,16,000	..	6,16,000
2	Industries	2,47,49,000	..	2,47,49,000
3	Salt	6,19,000	6,000	6,25,000
4	Commercial Intelligence and Statistics	6,77,000	..	6,77,000
5	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	23,26,000	..	23,26,000
6	Ministry of Community Development and Co-operation	2,28,000	..	2,28,000
7	Community Development Projects, National Extension Service and Co-operation	1,71,54,000	..	1,71,54,000
8	Ministry of Defence	3,36,000	..	3,36,000
9	Defence Services—Effective—Army	14,56,30,000	83,000	14,57,13,000
10	Defence Services—Effective—Navy	1,53,33,000	4,000	1,53,37,000
11	Defence Services—Effective—Air Force	4,98,28,000	4,000	4,98,32,000
12	Defence Services—Non--Effective Charges	1,27,60,000	7,01,000	1,34,61,000
13	Ministry of Education	4,95,000	..	4,95,000
14	Education	2,59,46,000	..	2,59,46,000
15	Miscellaneous Departments and other Expenditure under the Ministry of Education	19,70,000	..	19,70,000
16	Tribal Areas	72,58,000	..	72,58,000
17	Naga Hills—Tuensang Area	28,69,000	..	28,69,000
18	External Affairs	81,35,000	..	81,35,000
19	State of Pondicherry	22,92,000	1,000	22,93,000
20	Miscellaneous Expenditure under the Ministry of External Affairs.	39,000	..	39,000
21	Ministry of Finance	12,34,000	..	12,34,000
22	Customs	33,05,000	2,000	33,07,000
23	Union Excise Duties	67,44,000	3,000	67,47,000
24	Taxes on Income including Corporation Tax, etc.	47,04,000	11,000	47,15,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
25	Opium	2,73,93,000	..	2,73,93,000
26	Stamps	23,23,000	69,000	23,92,000
27	Audit	88,17,000	1,72,000	89,89,000
28	Currency	32,52,000	1,36,000	33,88,000
29	Mint	49,03,000	..	49,03,000
30	Territorial and Political Pensions	2,11,000	..	2,11,000
31	Superannuation Allowances and Pensions	62,74,000	5,50,000	68,24,000
32	Miscellaneous Departments and Other Expenditure under the Ministry of Finance	3,66,68,000	..	3,66,68,000
33	Planning Commission	18,99,000	..	18,99,000
34	Miscellaneous Adjustments between the Union and State Governments	1,51,000	..	1,51,000
35	Pre-Partition Payments	1,83,000	45,000	2,28,000
	CHARGED.—*Interest on Debt and Other Obligations and Reduction or Avoidance of Debt*	..	14,01,82,000	14,01,82,000
	CHARGED.—*Grants-in-aid to States*	..	12,21,03,000	12,21,03,000
36	Ministry of Food and Agriculture	6,29,000	..	6,29,000
37	Forest	21,61,000	..	21,61,000
38	Agriculture	83,73,000	..	83,73,000
39	Agricultural Research	41,15,000	..	41,15,000
40	Animal Husbandry	21,89,000	..	21,89,000
41	Miscellaneous Departments and Other Expenditure under the Ministry of Food and Agriculture	98,01,000	34,000	98,35,000
42	Ministry of Health	1,17,000	..	1,17,000
43	Medical Services	55,26,000	..	55,26,000
44	Public Health	1,37,75,000	..	1,37,75,000
45	Miscellaneous Departments and Expenditure under the Ministry of Health	7,33,000	..	7,33,000
46	Ministry of Home Affairs	24,16,000	..	24,16,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
47	Cabinet	3,11,000	..	3,11,000
48	Zonal Councils	31,000	..	31,000
49	Administration of Justice	21,000	*1,32,000*	1,53,000
50	Police	45,28,000	..	45,28,000
51	Census	1,54,000	..	1,54,000
52	Statistics	15,75,000	..	15,75,000
53	Privy Purses and Allowances of Indian Rulers	1,29,000	*1,34,20,000*	1,35,49,000
54	Delhi	90,82,000	*3,000*	90,85,000
55	Himachal Pradesh	48,58,000	*18,000*	48,76,000
56	Andaman and Nicobar Islands	25,95,000	..	25,95,000
57	Manipur	19,49,000	..	19,49,000
58	Tripura	31,05,000	*4,000*	31,09,000
59	Laccadive, Minicoy and Amindivi Islands	1,57,000	..	1,57,000
60	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	97,17,000	..	97,17,000
61	Ministry of Information and Broadcasting	1,20,000	..	1,20,000
62	Broadcasting	38,70,000	..	38,70,000
63	Miscellaneous Departments and Expenditure under the Ministry of Information and Broadcasting	28,63,000	..	28,63,000
64	Ministry of Irrigation and Power	2,03,000	..	2,03,000
65	Multi-purpose River Schemes	15,95,000	..	15,95,000
66	Miscellaneous Departments and Other Expenditure under the Ministry of Irrigation and Power	13,86,000	..	13,86,000
67	Ministry of Labour and Employment	1,67,000	..	1,67,000
68	Chief Inspector of Mines	1,79,000	..	1,79,000
69	Miscellaneous Departments and Other Expenditure under the Ministry of Labour and Employment	87,72,000	..	87,72,000
70	Ministry of Law	2,15,000	..	2,15,000
71	Elections	7,58,000	..	7,58,000
72	Ministry of Rehabilitation	3,11,000	..	3,11,000

No. of Vote	Services and purposes	Sums not Exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
73	Expenditure on displaced Persons and Minorities	1,64,10,000	..	1,64,10,000
74	Ministry of Scientific Research and Cultural Affairs	2,44,000	..	2,44,000
75	Archaeology	8,92,000	..	8,92,000
76	Survey of India	13,43,000	..	13,43,000
77	Botanical Survey	1,28,000	..	1,28,000
78	Zoological Survey	95,000	..	95,000
79	Scientific Research and Cultural Affairs	1,08,92,000	..	1,08,92,000
80	Miscellaneous Departments and Expenditure under the Ministry of scientific Research and Cultural Affairs	3,07,000	..	3,07,000
81	Ministry of Steel, Mines and Fuel	3,36,000	..	3,36,000
82	Geological Survey	18,42,000	..	18,42,000
83	Exploration of Oil and Natural Gas	28,21,000	..	28,21,000
84	Miscellaneous Departments and Other Expenditure under the Ministry of Steel, mines and Fuel	2,25,58,000	..	2,25,58,000
85	Ministry of Transport and Communications	4,55,000	..	4,55,000
86	Indian Posts and Telegraphs Department (including Working Expenses)	5,52,87,000	30,25,000	5,83,12,000
87	Mercantile Marine	5,75,000	..	5,75,000
88	Lighthouses and Lightships	10,74,000	..	10,74,000
89	Meteorology	13,54,000	..	13,54,000
90	Overseas Communications Service	10,71,000	69,000	11,40,000
91	Aviation	59,12,000	..	59,12,000
92	Central Road Fund	32,39,000	..	32,39,000
93	Communications (including) National Highways)	55,36,000	..	55,36,000
94	Miscellaneous Departments and Other Expenditure under the Ministry of Transport and Communications	14,26,000	..	14,26,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
95	Ministry of Works, Housing and Supply	5,27,000	..	5,27000
96	Supplies	23,56,000	*18,000*	23,74,000
97	Other Civil Works	2,24,92,000	*35,000*	2,27,27,000
98	Stationery and Printing	64,79,000	..	64,79,000
99	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply	9,91,000	..	9,91,000
100	Department of Atomic Energy	1,11,000	..	1,11,000
101	Atomic Energy Research	36,73,000	..	36,73,000
102	Department of Parliamentary Affairs	19,000	..	19,000
103	Lok Sabha	8,33,000	*6,000*	8,39,000
104	Miscellaneous Expenditure under Lok Sabha	34,000	..	34,000
105	Rajya Sabha	2,82,000	*5,000*	2,87,000
	CHARGED.—*Staff, Household and Allowances of the President*	..	*2,10,000*	2,10,000
106	Secretariat of the Vice-President	5,000	..	5,000
	CHARGED.—*Union Public Service Commission*	..	*3,55,000*	3,55,000
107	Capital Outlay of the Ministry of Commerce and Industry	1,35,45,000	..	1,35,45,000
108	Capital Outlay of the Ministry of Community Development and Co-operation	31,56,000	..	31,56,000
109	Defence Capital Outlay	3,07,50,000	*33,000*	3,07,83,000
110	Capital Outlay of the Ministry of Education	5,80,000	..	5,80,000
111	Capital Outlay of the Ministry of External Affairs	5,69,000	..	5,69,000
112	Capital Outlay on the India Security Press	92,000	..	92,000
113	Capital Outlay on Currency and Coinage	8,41,12,000	..	8,41,12,000
114	Capital Outlay on Mints	4,04,000	..	4,04,000
115	Commuted Value of Pensions	3,78,000	*8,000*	3,86,000
116	Payments to Retrenched Personnel	1,000	..	1,000
117	Other Capital Outlay of the Ministry of Finance	5,39,62,000	..	5,39,62,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Ttotal
		Rs.	Rs.	Rs.
118	Loans and Advances by the Central Government	17,66,68,000	26,05,75,000	43,72,43,0000
	CHARGED.—*Repayment of Debt*	..	4,65,00,00,000	4,65,00,00,000
119	Capital Outlay on Forests	1,16,080	..	1,16,000
120	Purchase of Foodgrains	20,78,47,000	10,000	20,78,57,000
121	Other Capital Outlay of the Ministry of Food and Agriculture	3,03,63,000	1,000	3,03,64,000
122	Capital Outlay of the Ministry of Health	1,04,00,000	..	1,04,00,000
123	Capital Outlay of the Ministry of Home Affairs	6,75,000	..	6,75,000
124	Capital Outlay on Broadcasting	16,67,000	..	16,67,000
125	Capital Outlay on Multi-purpose River Schemes	26,91,000	..	26,91,000
126	Other Capital Outlay of the Ministry of Irrigation and Power	65,17,000	..	65,17,000
127	Capital Outlay of the Ministry of Labour and Employment	29,000	..	29,000
128	Capital Outlay of the Ministry of Rehabilitation	1,68,33,000	..	1,68,33,000
129	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	19,82,000	..	19,82,000
130	Capital Outlay of the Ministry of Steel, Mines and Fuel	2,00,60,000	..	2,00,60,000
131	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue)	2,84,87,000	..	2,84,87,000
132	Capital Outlay on Civil Aviation	36,11,000	42,000	36,53,000
133	Capital Outlay on Ports	25,29,000	..	25,29,000
134	Capital Outlay on Roads	1,37,50,000	..	1,37,50,000
135	Other Capital Outlay of the Ministry of Transport and Communications	73,01,000	..	73,01,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
136	Delhi Capital Outlay	61,02,000	57,000	61,59,000
137	Capital Outlay on Buildings	68,54,000	4,000	68,58,000
138	Other Capital Outlay of the Ministry of Works, Housing and Supply	59,58,000	..	59,58,000
139	Capital Outlay of the Department of Atomic Energy	45,58,000	..	45,58,000
	GRAND TOTAL	1,44,99,53,000	5,19,23,36,000	664,22,89,000

STATEMENT OF OBJECTS AND REASONS.

This bill is introduced in pursuance of article 114(1) of the Constitution of India, read with article 116 thereof, to provide for the appropriation out of the Consolidated Fund of India of the moneys required to meet the expenditure charged on the Consolidated Fund and the grants made in advance by the Lok Sabha in respect of the estimated expenditure of the Central Government, excluding Railways, for a part of the Financial year 1959-60.

NEW DELHI;

The 10th March, 1959.

MORARJI DESAI.

LOK SABHA.

A

BILL

to provide for the withdrawal certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1959-60.

The President has, in pursuance of clauses (1) and (3) of Article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill.

M. N. KAUL,

Secretary.

MORARJI DESAI,

Minister of Finance.

THE APPROPRIATION (VOTE ON ACCOUNT) ACT, 1959

No. 7 OF 1959

[14*th March*, 1959]

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1959-60.

BE it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. Short title.—This Act may be called the Appropriation (Vote on Account) Act, 1959.

2. Withdrawal of Rs. 6,64,22,89,000 from and out of the Consolidated Fund of India for the financial year 1959-60.—From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of six hundred and sixty-four crores, twenty-two lakhs and eighty-nine thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1959-60.

3. Appropriation.—The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

See sections 2 and 3

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	6,16,000	..	61,6,000
2	Industries	2,47,49,000	..	2,47,49,000
3	Salt	6,19,000	6,000	6,25,000
4	Commercial Intelligence and Statistics	6,77,000	..	6,77,000
5	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry	23,26,000	..	23,26,000
6	Ministry of Community Development and Co-operation	2,28,000	..	2,28,000
7	Community Development Projects, National Extension Service and Co-operation	1,71,54,000	..	1,71,54,000
8	Ministry of Defence	3,36,000	..	3,36,000
9	Defence Services—Effective—Army	14,56,30,000	83,000	14,57,13,000
10	Defence Services—Effrective—Navy	1,53,33,000	4,000	1,53,37,000
11	Defence Services—Effective—Air Force	4,98,28,000	4,000	4,98,32,000
12	Defence Services—Non-Effective Charges	1,27,60,000	7,01,000	1,34,61,000
13	Ministry of Education	4,95,000	..	4,95,000
14	Education	2,59,46,000	..	2,59,46,000
15	Miscellaneous Departments and other Expenditure under the Ministry of Eeducation	19,70,000	..	19,70,000
16	Tribal Areas	72,58,000	..	72,58,000
17	Naga Hills—Tuensang Area	28,69,000	..	28,69,000
18	External Affairs	81,35,000	..	81,35,000
19	State of Pondicherry	22,92,000	1,000	22,93,000
20	Miscellaneous Expenditure under the Ministry of External Affairs	39,000	..	39,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
21	Ministry of Finance	12,34,000	..	12,34,000
22	Customs	33,05,000	2,000	33,07,000
23	Union Excise Duties	67,44,000	3,000	67,47,000
24	Taxes on Income including Corporation Tax, etc.	47,04,000	11,000	47,15,000
25	Opium	2,73,93,000	..	2,73,93,000
26	Stamps	23,23,000	69,000	23,92,000
27	Audit	88,17,000	1,72,000	89,89,000
28	Currency	32,52,000	1,36,000	33,88,000
29	Mint	49,03,000	..	49,03,000
30	Territorial and Political Pensions	2,11,000	..	2,11,000
31	Superannuation Allowances and Pensions	62,74,000	5,50,000	68,24,000
32	Miscellaneous Departments and Other Expenditure under the Ministry of Finance	3,66,68,000	..	3,66,68,000
33	Planning Commission	18,99,000	..	18,99,000
34	Miscellaneous Adjustments between the Union and State Governments	1,51,000	..	1,51,000
35	Pre-partition Payments	1,83,000	45,000	2,28,000
	CHARGED.—*Interest on Debt and Other Obligations and Reduction or Avoidance of Debt*	..	14,01,82,000	14,01,82,000
	CHARGED—*Grants-in-aid to States*	..	12,21,03,000	12,21,03,000
36	Ministry of Food and Agriculture	6,29,000	..	6,29,000
37	Forest	21,61,000	..	21,61,000
38	Agriculture	83,73,000	..	83,73,000
39	Agricultural Research	41,15,000	..	41,15,000
40	Animal Husbandry	21,89,000	..	21,89,000
41	Miscellaneous Departments and Other Expenditure under the Ministry of Food and Agriculture	98,01,000	34,000	98,35,000
42	Ministry of Health	1,17,000	..	1,17,000
43	Medical Services	55,26,000	..	55,26,000
44	Public Health	1,37,75,000	..	1,37,75,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	
45	Miscellaneous Departments and Expenditure under the Ministry of Health	7,33,000	..	7,33,000
46	Ministry of Home Affairs	24,16,000	..	24,16,000
47	Cabinet	3,11,000	..	3,11,000
48	Zonal Councils	31,000	..	31,000
49	Administration of Justice	21,000	*1,32,000*	1,53,000
50	Police	45,28,000	..	45,28,000
51	Census	1,54,000	..	1,54,000
52	Statistics	15,75,000	..	15,75,000
53	Privay Purses and Allowances of Indian Rulers	1,29,000	*1,34,20,000*	1,35,49,000
54	Delhi	90,82,000	*3,000*	90,85,000
55	Himachal Pradesh	48,58,000	*18,000*	48,76,000
56	Andaman and Nicobar Islands	25,95,000	..	25,95,000
57	Manipur	19,49,000	..	19,49,000
58	Tripura	31,05,000	*4,000*	31,09,000
59	Laccadive, Minicoy and Amindivi Islands	1,57,000	..	1,57,000
60	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	97,17,000	..	97,17,000
61	Ministry of Information and Broadcasting	1,20,000	..	1,20,000
62	Broadcasting	38,70,000	..	38,70,000
63	Miscellaneous Departments and Expenditure under the Ministry of Information and Broadcasting	28,63,000	..	28,63,000
64	Ministry of Irrigation and Power	2,03,000	..	2,03,000
65	Multi-purpose River Schemes	15,95,000	..	15,95,000
66	Miscellaneous Departments and Other Expenditure under the Ministry of Irrigation and Power	13,86,000	..	13,86,000
67	Ministry of Labour and Employment	1,67,000	..	1,67,000
68	Chief Inspector of Mines	1,79,000	..	1,79,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charge on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
69	Miscellaneous Departments and Other Expenditure under the Ministry of Labour and Employment	87,72,000	..	87,72,000
70	Ministry of Law	2,15,000	..	2,15,000
71	Elections	7,58,000	..	7,58,000
72	Ministry of Rehabilitation	3,11,000	..	3,11,000
73	Expenditure on Displaced Persons and Minorities	1,64,10,000	..	1,64,10,000
74	Ministry of Scientific Research and Cultural Affairs	2,44,000	..	2,44,000
75	Archaeology	8,92,000	..	8,92,000
76	Survey of India	13,43,000	..	13,43,000
77	Botanical Survey	1,28,000	..	1,28,000
78	Zoological Survey	95,000	..	95,000
79	Scientific Research and Cultural Affairs	1,08,92,000	..	1,08,92,000
80	Miscellaneous Departments and Expenditure under the Ministry of Scientific Research and Cultural Affairs	3,07,000	..	3,07,000
81	Ministry of Steel, Mines and Fuel	3,36,000	..	3,36,000
82	Geological Survey	18,42,000	..	18,42,000
83	Exploration of Oil and Natural Gas	28,21,000	..	28,21,000
84	Miscellaneous Departments and Other Expenditure under the Ministry of Steel, Mines and Fuel	2,25,58,000	..	2,25,58,000
85	Ministry of Transport and Communications	4,55,000	..	4,55,000
86	Indian Posts and Telegraphs Department (including Working Expenses)	5,52,87,000	30,25,000	5,83,12,000
87	Mercantile Marine	5,75,000	..	5,75,000
88	Lighthouses and Lightships	10,74,000	..	10,74,000
89	Meteorology	13,54,000	..	13,54,000
90	Overseas Communications Service	10,71,000	69,000	11,40,000
91	Aviation	59,12,000	..	59,12,000
92	Cnetral Road Fund	32,39,000	..	32,39,000
93	Communications (including National Highways)	55,36,000	..	55,36,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
94	Miscellaneous Department and Other Expenditure under the Ministry of Transport and Communications	14,26,000	..	14,26,000
95	Ministry of Works, Housing and Supply	5,27,000	..	5,27,000
96	Supplies	23,56,000	*18,000*	23,74,000
97	Other Civil Works	2,24,92,000	*2,35,000*	2,27,27,000
98	Stationery and Printing	64,79,000	..	64,79,000
99	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply	9,91,000	..	9,91,000
100	Department of Atomic Energy	1,11,000	..	1,11,000
101	Atomic Energy Research	36,73,000	..	36,73,000
102	Department of Parliamentary Affairs	19,000	..	19,000
103	Lok Sabha	8,33,000	*6,000*	8,39,000
104	Miscellaneous Expenditure under Lok Sabha	34,000	..	34,000
105	Rajya Sabha	2,82,000	*5,000*	2,87,000
	CHARGED.—*Staff, Household and Allowances of the President.*	..	*2,10,000*	2,10,000
106	Secretariat of the Vice-President	5,000	..	5,000
	CHARGED.—*Union Public Service Commission*	..	*3,55,000*	3,55,000
107	Capital Outlay of the Ministry of Commerce and Industry	1,35,45,000	..	1,35,45,000
108	Capital Outlay of the Ministry of Community Development and Co-operation.	31,56,000	..	31,56,000
109	Defence Capital Outlay	3,07,50,000	*33,000*	3,07,83,000
110	Capital Outlay of the Ministry of Education	5,80,000	..	5,80,000
111	Capital Outlay of the Ministry of External Affairs	5,69,000	..	5,69,000
112	Capital Outlay on India Security Press	92,000	..	92,000
113	Capital Outlay on Currency and Coinage	8,41,12,000	..	8,41,12,000
114	Capital Outlay on Mints	4,04,000	..	4,04,000
115	Commuted Value of Pensions	3,78,000	*8,000*	3,86,000
116	Payments to Retrenched Personnel	1,000	..	1,000
117	Other Capital Outlay of the Ministry of Finance	5,39,62,000	..	5,39,62,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
118	Loans and Advances by the Central Government	17,66,68,000	*26,05,75,000*	43,72,43,000
	CHARGED.—*Repayment of Debt*	..	*4,65,00,00,000*	4,65,00,00,000
119	Capital Outlay on Forests	1,16,000	..	1,16,000
120	Purchase of Foodgrains	20,78,47,000	*10,000*	20,78,57,000
121	Other Capital Outlay of the Ministry of Food and Agriculture	3,03,63,000	*1,000*	3,03,64,000
122	Capital Outlay of the Ministry of Health	1,04,00,000	..	1,04,00,000
123	Capital Outlay of the Ministry of Home Affairs	6,75,000	..	6,75,000
124	Capital Outlay on Broadcasting	16,67,000	..	16,67,000
125	Capital Outlay on Multi-purpose River Schemes	26,91,000	..	26,91,000
126	Other Capital Outlay of the Ministry of Irrigation and Power	65,17,000	..	65,17,000
127	Capital Outlay of the Ministry of Labour and Employment	29,000	..	29,000
128	Capital Outlay of the Ministry of Rehabilitation	1,68,33,000	..	1,68,33,000
129	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	19,82,000	..	19,82,000
130	Capital Outlay of the Ministry of Steel, Mines and Fuel	2,00,60,000	..	2,01,60,000
131	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue)	2,84,87,000	..	2,84,87,000
132	Capital Outlay on Civil Aviation	36,11,000	*42,000*	36,53,000
133	Capital Outlay on Ports	25,29,000	..	25,29,000
134	Capital Outlay on Roads	1,37,50,000	..	1,37,50,000
135	Other Capital Outlay of the Ministry of Transport and Communications	73,01,000	..	73,01,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
136	Delhi Capital Outlay	61,02,000	57,000	61,59,000
137	Capital Outlay on Buildings . . .	68,54,000	4,000	68,58,000
138	Other Capital Outlay of the Ministry of Works, Housing and Supply	59,58,000	..	59,58,000
139	Capital Outlay of the Department of Atomic Energy	45,58,000	..	45,58,000
	GRAND TOTAL .	1,44,99,53,000	5,19,23,56,000	6,64,22,89,000

G. R. RAJAGOPAUL,
Secretary.

THE FINANCE BILL, 1959

▲

BILL

to give effect to the financial proposals of the Central Government for the financial year 1959-60.

BE it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. Short title and commencement.—(1) This Act may be called the Finance Act, 1959.

(2) Save as otherwise provided in this Act, sections 3 to 18 inclusive and sections 20 to 27 inclusive shall be deemed to have come into force on the first day of April, 1959.

2. Income-tax and super-tax.—(*1*) Subject to the provisions of sub-sections (*2*) and (*3*), for the year beginning on the 1st day of April, 1959,—

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge on unearned income, calculated in either case in the manner provided therein; and

(b) super-tax shall, for the purposes of section 55 of the Indian Income-tax Act, 1922 (hereinafter referred to as the Income-tax Act) (11 of 1922), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge on unearned income, calculated in either case in the manner provided therein.

(2) In making any assessment for the year ending on the 31st day of March, 1960,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" or any income chargeable under the head "Interest on Securities" or any income from dividends in respect of which by virtue of section 49B of the Income-tax Act he is deemed himself to have paid the income-tax imposed under that Act, the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance Act, 1958 (11 of 1958), on his total income the same proportion as the amount of such inclusions bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (2) of section 18 of the

Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance Act, 1958 (11 of 1958), on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In cases to which section 17 of the Income-tax Act applies, the tax chargeable shall be determined as provided in that section, and with reference to the rates imposed by sub-section (1).

(4) In cases in which tax has to be deducted under section 18 at the prescribed rates, the deduction shall be made at the rates specified in Part III of the First Schedule.

(5) In the case of a company liable to make payments of tax under section 18A of the Income-tax Act during the financial year beginning on the 1st day of April, 1959, the provisions of that section shall have effect as if the references to the rates of income-tax and super-tax in force for that financial year were references respectively—

(a) to a rate of 20 per cent. for income-tax; and

(b) to a rate of—

(i) 25 per cent. for super-tax in the case of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends with India; and

(ii) 43 per cent. for super-tax in the case of any other company.

(6) For the purposes of this section, and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Income-tax Act, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

3. **Amendment of section 4.**—In section 4 of the Income-tax Act,—

(i) in sub-section (1),—

(a) the third proviso shall be omitted;

(b) after Explanation 2, the following Explanation shall be inserted, namely:—

"*Explanation* 2A.—Income which would be chargeable under the head "Salaries" if payable in the taxable territories but which is paid without the taxable territories by the Government to a citizen of India for rendering service without the taxable territories shall be deemed to accrue or arise in the taxable territories.";

(ii) in sub-section (3), for clause (x), the following clauses shall be substituted, namely:—

"(x) Any income received—

(a) by the Ruler of an Indian State as his privy purse under article 291 of the Constitution;

(b) by any ambassador, high commissioner, envoy, minister, *charge d'affaires*, commissioner, counsellor or the secretary, adviser or attache of an embassy, high commission, legation or commission of a foreign State as remuneration from such State for service in such capacity;

(c) by a consul de carriere, whether called a consul-general, consul, vice-consul, consular agent, pro-consul or by any other name, of a foreign State as remuneration from such State for service in such capacity;

(d) by a trade commissioner or other official representative in India of the Government of a foreign State (not holding office as such in an honorary capacity) as his remuneration, if the remuneration of the corresponding officials, if any, of the Government resident for similar purposes in the country concerned enjoys a similar exemption in that country;

(e) by a member of the staff of any of the officials referred to in clause (b) or clause (c) or clause (d) as his remuneration, if the member—

(i) is a subject of the country represented;

(ii) is not engaged in any business, profession, vocation or employment in India otherwise than as a member of such staff; and further, where the individual is a member of the staff of any official referred to in clause (d), if the country represented has made corresponding provisions for similar exemptions in the case of members of the staff of the corresponding officials of the Government.

(xa) Any allowances or perquisites paid or allowed as such without the taxable territories by the Government to a citizen of India for rendering service without the taxable territories.".

4 **Amendment of section 10.**—In section 10 of the Income-tax Act,—

(i) after sub-section (2A), the following sub-section shall be inserted, namely:—

"(2AA) For the purpose of computing the profits or gains of any business consisting of the prospecting for or extraction or production of mineral oils in relation to which the Central Government has entered into an agreement with any person for the association or participation in such business of the Central Government (which agreement has been laid on the Table of each House of Parliament), there shall be made in lieu of, or in addition to, the allowances admissible under sub-section (2), such allowances as are specified in the agreement on account of—

(a) expenditure by way of infructuous or abortive exploration expenses in respect of any area surrendered prior to the beginning of commercial production by the assessee,

(b) expenditure incurred after the beginning of commercial production by the assessee in respect of drilling or exploration activities, where the expenditure does not result in the creation of any tangible asset, and

(c) the depletion of mineral oil in the mining area in respect of the assessment year relevant to the previous year in which commercial production is begun and for such succeeding year or years as may be specified in the agreement,

the allowances being computed in the manner and allowed to the extent specified therein:

Provided that the provisions of section 15C shall have no application in any case where any allowance is made under this sub-section.";

(ii) sub-sections (2B) and (2C) shall be omitted.

5. Amendment of section 12.—In section 12 of the Income-tax Act, for sub-section (*1A*), the following sub-section shall be substituted, namely:—

"(*1A*) Income from other sources shall include dividends, and any dividend declared by a company or distributed or paid by it within the meaning of sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*) or sub-clause (*d*) or sub-clause (*e*) of clause (*6A*) of section 2, shall be deemed to be the income of the previous year in which it is so declared, distributed or paid, as the case may be.".

6. Amendment of section 15C.—In section 15C of the Income-tax Act, in clause (*i*) of sub-section (*2*), for the words and figures "used in a business which was being carried on before the 1st day of April, 1948", the words "previously used in any other business" shall be substituted, and sahll be deemed always to have been substituted.

7. Amendment of section 16.—In section 16 of the Income-tax Act, sub-section (*2*) shall be omitted.

8. Amendment of section 17.—In section 17 of the Income-tax Act,—

(*i*) after sub-section (*1*), the following sub-section shall be inserted, namely:—

"(*1A*) Notwithstanding anything contained in sub-section (*1*), where a citizen of India, not resident in the taxable territories, is in receipt of salary from the Government for rendering service without the taxable territories, the tax, including super-tax payable by him on his total income for the assessment years commencing with the assessment year 1960-61 shall be determined with reference to his total world income in the manner specified in the first proviso to sub-section (1).";

(*ii*) for sub-section (7), the following sub-section shall be substituted, namely:—

"(7) Where the total income of a company includes any income chargeable under the head "Capital Gains", the super-tax payable by it shall be the aggregate of the tax calculated—

(*i*) at the rate of ten per cent. on the amount of Capital Gains so included, and

(*ii*) at the rate applicable to the company on its total income as reduced by the amount of the capital Gains, had such reduced income been its total income."

9. Amendment of section 18.—In section 18 of the Income-tax Act,—

(*i*) *in sub-section* (*2B*), for the words "to a person not resident in the taxable territories shall, at the time of payment, deduct income-tax at the maximum rate and also super-tax on the estimated income of the assessee under this head in accordance with the provisions of clause (*b*) of sub-section (*1*) of section 17", the words "to a person not resident in the taxable territories, not being a person referred to in sub-section (*1A*) of section 17, shall, at the time of payment, deduct income-tax and super-tax at the prescribed rates on the estimated income of the assessee under this head" shall be substituted;

(*ii*) for sub-sections (*3*) and (*3A*), the following sub-section shall be substituted, namely:—

"(*3*) The person responsible for paying any income chargeable under the head "Interest on Securities" shall, at the time of payment, deduct income-tax and super-tax at the prescribed rates on the amount of interest payable:

Provided that where, in the case of any recipient, not being a company, the Income-tax Officer gives a certificate in writing (which certificate he shall give in every proper case on the application of the assessee) that to the best of his belief the total income or the total world income of the recipient will be less than the minimum liable to income-tax or will be liable to income-tax at a rate which is less than the prescribed rate, the person responsible for paying the interest to such recipient shall, until such certificate is cancelled by the Income-tax Officer, pay the interest without deduction or deduct the tax at such lesser rate, as the case may be:

Provided further that where the recipient is not a company, the proviso to sub-section (*2B*) shall apply to the deduction of super-tax under this sub-section as it applies to the deduction of super-tax under sub-section (*2B*).";

(*iii*) for sub-section (*3B*), the following sub-section shall be substituted, namely:—

"(*3B*) Any person responsible for paying to a person, not being a company, who is not resident in the taxable territories or to a company which is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India, any sum, not being "Interest on Securities", or any other sum, not being dividends, chargeable under the provisions of this Act, shall, at the time of payment, unless he is himself liable to pay any income-tax and super-tax thereon as an agent, deduct income-tax and super-tax at the prescribed rates:

Provided that where the recipient is not a company, the proviso to sub-section (*2B*) shall apply to the deduction of income-tax and super-tax under this sub-section as it applies to the deduction of income-tax and super-tax under sub-section (*2B*):

Provided further that nothing in this sub-section shall apply to any payment made in the course of transactions in respect of which a person responsible for payment is deemed under the first proviso to section 43 not to be an agent of the recipient.";

(*iv*) for sub-section (*3D*), the following sub-sections shall be substituted, namely:—

"(*3D*) The principal officer of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India shall, before issuing any cheque or warrant in respect of any dividend or before making any distribution or payment to a shareholder of any dividend within the meaning of sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*) or sub-clause (*d*) or sub-clause (*e*) of clause (*6A*) of section 2, deduct on the amount of such dividend, income-tax and super-tax at the prescribed rates:

Provided that where, in the case of any shareholder, not being a company, the Income-tax Officer gives a certificate in writing (which certificate he shall give only in accordance with the rules made in this behalf) that to the best of his belief the total income or the total world income of the shareholder will be less than the minimum liable to income-tax, the principal officer responsible for paying any dividend to such shareholder shall, until such certificate is cancelled by the Income-tax Officer, pay the dividend without deduction.

(*3E*) Where any share held by a shareholder carries as respects dividends a preferential right to be paid a fixed amount or an amount calculated at a fixed rate free of tax, then, notwithstanding such preferential right, tax shall be deductible under sub-section (*3D*), and for the purposes of such deduction the amount payable to the shareholder as dividend shall be taken to be such amount as would, after deduction of a sum equal to thirty per cent. thereof, be equal to the net amount of dividend receivable by the shareholder free of tax.

(*3F*) Where the principal officer of a company considers that by reason of the provisions of section 15C no income-tax or super-tax will be payable by the recipient on the whole or any portion of the dividend referred to in sub-section (*4*) of that section he may, before paying the dividend to the shareholder, or issuing any cheque or warrant in respect thereof, make an application to the Income-tax Officer to determine the appropriate proportion of the dividend on which income-tax or super-tax is not payable by the recipient under the provisions of section 15C; and on such determination by the Income-tax Officer, no income-tax or super-tax shall be deducted on such proportionate amount.";

(*v*) in sub-section (*5*),—

(*a*) the words, brackets and figures "and any sum by which a dividend has been increased under sub-section (*2*) of section 16" and the words and figures "or section 20, as the case may be" shall be omitted;

(*b*) in the third proviso, the words, brackets and figures "or in respect of any sum by which the dividend has been increased under sub-section (*2*) of section 16," shall be omitted;

(*vi*) in sub-section (*7*), for the words "If any such person does not deduct or after deducting fails to pay the tax as required by

or under this section, he, and in the cases specified in sub-section (*3D*) the company of which he is the principal officer", the following words shall be substituted, namely:—

"If any person or the principal officer of a company does not deduct tax or after deducting fails to pay the sums deducted as required by or under this section, he, or the company, as the case may be,";

(*vii*) in sub-section (*9*),—

(*a*) the brackets, figure and letter "(*3A*)," shall be omitted;

(*b*) for the words "from which tax has been deducted, furnish to the person to whom such payment is made", the following words shall be substituted, namely:—

"or, as the case may be, at the time of issue of a cheque or warrant for payment of any dividend to a shareholder furnish to the person to whom such payment is made or the cheque or warrant is issued";

(*viii*) after sub-section (*9*) the following sub-section shall be inserted, namely:—

"(*10*) Notwithstanding anything contained in this section, no deduction of tax shall be made by the principal officer of any company on any dividend payable to the Government in respect of any shares owned by it or in which it has full beneficial interest.

(11) For the purposes of deduction of tax under sub-sections (2B), (3), (3B) and (3D) the expression "prescribed rates" means the rates prescribed in this behalf by the Finance Act of the year in which such deduction is required to be made."

10. Omission of section 20.—Section 20 of the Income-tax Act shall be omitted.

11. Amendment of section 23A.—In section 23A of the Income-tax Act, in *Explanation 2*, for the figures "45%" and "60%", in both the places where they occur, the figures "50%" and "65%" shall respectively be substituted.

12. Amendment of section 23B.—In section 23B of the Income-tax Act, in sub-section (*6*), the words "or deemed to have been paid" shall be omitted.

13. Amendment of section 35.—In section 35 of the Income-tax Act,—

(*i*) to sub-section (*9*), the following proviso shall be added, namely:—

"Provided that this sub-section shall not apply in relation to dividends payable by a company in respect of any previous year relevant to any assessment year commencing on or after the 1st day of April, 1960.";

(*ii*) sub-section (*10*) shall be omitted.

14. Substitution of new section for section 49B.—For section 49B of the Income-tax Act, the following section shall be substituted, namely:—

Relief to shareholders in respect of agricultural income-tax attributable to dividends.

"49B. Where a company pays to a shareholder any dividend out of its profits and gains which is assessed to agricultural income-tax by any State Government, the shareholder shall be entitled to a reduction from the tax payable by him under this Act, of a sum equal to—

(*a*) that proportion of the agricultural income-tax (including super-tax, if any) paid by the company as the amount of the dividend attributable to the profits of the company assessed to agricultural income-tax bears to its total profits assessed to agricultural income-tax, reduced by the amount of refund, if any, allowed to him by the State Government; or

(*b*) where the shareholder—

(*i*) is not a company, the amount of income-tax (but not super-tax) payable by him under this Act; and

(*ii*) is a company, 20 per cent;

on that portion of the dividend which is attributable to the profits of the company assessed to agricultural income-tax;

whichever is less.".

15. Omission of section 49C.—Section 49C of the Income-tax Act shall be omitted.

16. Amendment of section 51.—In section 51 of the Income-tax Act, in clause (*b*), the words and figures "or by section 20" shall be omitted.

17. Amendment of section 52.—In section 52 of the Income-tax Act, after the words, brackets and figures "or sub-section (*3*) of section 33", the words, brackets and figures "or furnishes a certificate under sub-section (*9*) of section 18" shall be inserted.

18. Amendment of section 58.—In section 58 of the Income-tax Act,—

(*i*) in sub-section (*1*), the word and figures "and 20" shall be omitted;

(*ii*) in sub-section (*2*), the brackets, figure and letter "(*3A*)," shall be omitted.

19. Commencement of the amendments to Act 11 of 1922.—(*1*) The amendments to the Income-tax Act made by—

(*a*) sub-clause (*a*) of clause (*i*) of section 3, in so far as it seeks to omit the third proviso to sub-section (*1*) of section 4 in its application to income chargeable under the head "Salaries";

(*b*) sub-clause (*b*) of clause (*i*) and clause (*ii*) of section 3; and

(*c*) clause (*i*) of section 8;

shall, for the purpose of making any deductions of income-tax and super-tax under sub-section (*2*) of section 18 of the Income-tax Act, have effect on and from the first day of April, 1959, and for other purposes shall have effect on and from the first day of April, 1960.

(2) The amendments to the Income-tax Act made by section 9, section 10, section 16 and section 18 shall be deemed to have come into force on the first day of April, 1959.

(3) The amendments to the Income-tax Act made by section 5, section 7, clause (*ii*) of section 8, section 11, section 12, section 13, section 14 and section 15 shall have effect on and from the first day of April, 1960.

(4) Notwithstanding anything contained in sub-section (2) or sub-section (3), in relation to dividends declared or payable by a company in respect of any previous year relevant to any assessment year prior to the assessment year 1960-61, the Income-tax Act shall have effect as if the amendments contained in section 5, section 7, section 9, section 10, section 14, section 15, section 16 and section 18 had not been made.

20. Amendment of section 2.—In section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act), in clause (*m*), the following amendments shall be made and shall be deemed always to have been made, namely:—

(*i*) in sub-clause (*i*), the word "and" shall be omitted;

(*ii*) in sub-clause (*ii*), the word "and" shall be omitted;

end; and

(*iii*) after sub-clause (*ii*), the following sub-clause shall be inserted, namely:—

"(*iii*) the amount of the tax, penalty or interest payable in consequence of any order passed under or in pursuance of this Act or any law relating to taxation of income or profits, or the Estate Duty Act, 1953, the Expenditure-tax Act, 1957, or the Gift-tax Act, 1958,—

(*a*) which is outstanding on the valuation date and is claimed by the assessee in appeal, revision or other proceeding as not being payable by him, or

(b) which, although not claimed by the assessee as not being payable by him, is nevertheless outstanding for a period of more than twelve months on the valuation date;".

21. Amendment of Schedule.—In the Schedule to the Wealtn-tax Act,—

(*i*) in the rates of tax specified in paragraphs (a) and (b) of Part I, for the figures "½%", "1%" and "1½%" in both the places where they occur, the figures "1%", "1½%" and "2%" shall respectively be substituted;

(*ii*) in Rule 2, for the figures and words "1·5 per cent", the figure and words "2 per cent" shall be substituted.

22. Amendment of section 2.—In section 2 of the Expenditure tax Act, 1957 (hereinafter referred to as the Expenditure-tax Act),—

(*i*) in clause (*g*), for sub-clause (i), the following sub-clause shall be substituted, namely:—

"(*i*) where the assessee is an individual, his or her spouse or minor child, and includes any person wholly or mainly dependent on the assessee for support and maintenance;";

(*ii*) for clause (*n*), the following clause shall be substituted, namely:—

'(*n*) "previous year", in relation to any assessment year,—

(*a*) in the case of an assessee having a source of income, profits or gains in respect of which there is no previous year under the Income-tax Act, means the twelve months ending on the 31st day of March immediately preceding the assessment year;

(*b*) in the case of an assessee having different previous years under the Income-tax Act for different sources of income, profits or gains, means that previous year of twelve months determined as the previous year under sub-clause (*a*) of clause (*11*)(*i*) of section 2 of the Income-tax Act or such period determined as the previous year under sub-clause (*b*) of clause (*11*)(*i*) of that section, whichever expired last;

(*c*) in the case of any other assessee, means the previous year as defined in clause (*11*) of section 2 of the Income-tax Act if an assessment were to be made under that Act for that year:

Provided that where an assessment has been made under this Act for any assessment year in respect of the expenditure incurred by an assessee in the previous year, the meaning of the expression "previous year" as then applicable to him shall continue to apply in respect of any subsequent assessment year unless the assessee is allowed to vary it with the consent of the Expenditure-tax Officer who may, in allowing any such variation, impose such conditions as he may think fit.'.

23. Amendment of section 3.—In section 3 of the Expenditure-tax Act, for the proviso to sub-section (*1*), the following shall be substituted, namely:—

"Provided that no expenditure-tax shall be payable by an assessee for any assessment year if the income from all sources derived by the assessee and his dependants during the previous year as reduced by the amount of taxes to which such income may be liable under any law for the time being in force does not exceed rupees thirty-six thousand.

Explanation.—Income derived by an assessee or any of his dependants shall include—

(*i*) income which a trustee or any other person receives or is entitled to receive during the previous year on behalf of the assessee or any of his dependants, or both, as the case may be; and

(*ii*) in the case of an assessee being an individual who is a member of a Hindu undivided family or of any association of persons, any sum in money or money's worth spent or disbursed for the benefit of the assessee or any of his dependants during the previous year from or out of the income or property of the Hindu undivided family or the association as the case may be.".

24. Amendment of section 4.—In section 4 of the Expenditure-tax Act,—

(*a*) in clause (*i*), the words "which, but for the expenditure having been incurred by that other person, would have been incurred by the assessee," shall be omitted;

(*b*) for clause (*ii*), the following clause shall be substituted, namely:—

"(*ii*) where the assessee is an individual, any expenditure incurred by any dependant of the assessee, and where the assessee is a Hindu undivided family, any expenditure incurred by any dependant from or out of any income or property transferred directly or indirectly to the dependant by the assessee.".

25. Amendment of section 5.—In section 5 of the Expenditure-tax Act,—

(*i*) in clause (*e*), for the words "or in the construction, repair, maintenance or improvement of any immovable property belonging to him", the words "or in the construction of any building" shall be substituted;

(*ii*) for clause (*f*), the following clause shall be substituted, namely:—

"(*f*) any expenditure incurred by the assessee by way of investment in deposits, loans, shares and securities;";

(*iii*) for clause (*g*), the following clause shall be substituted, namely:—

"(*g*) any expenditure incurred by the assessee in the purchase of products of any cottage industry in India or any work of art, where the price of any such article exceeds rupees one thousand, and any expenditure incurred by the assessee in the purchase of books;".

26. Amendment of section 6.—In section 6 of the Expenditure-tax Act, in sub-section (*1*),—

(*i*) in clause (*a*), after sub-clause (*ii*), the following sub-clause shall be inserted, namely:—

"(*iii*) taxes paid to a local authority in respect of any property in the occupation of the assessee or any of his dependants or both;";

(*ii*) in clause (*d*), for the words "on the purchase of furniture and other household goods", the words "on the purchase of bullion, precious stones, jewellery, furniture and other household goods" shall be substituted;

(*iii*) for clause (*h*), the following clause shall be substituted, namely:—

"(*h*) a basic allowance—

(*i*) where the assessee is an individual, of Rs. 30,000 for himself and all his dependants; and

(*ii*) where the assessee is a Hindu undivided family, of Rs. 30,000 in respect of the *karta* and his wife and children, and a further allowance of Rs. 3,000 for every additional coparcener:

Provided that the basic allowance for the Hindu undivided family as a whole shall not exceed Rs. 60,000 in any case:

Provided further that the allowance of Rs. 3,000 for any additional co-parcener shall not be allowed where the co-parcener is separately assessed under this Act and is entitled to the allowance of Rs. 30,000 under sub-clause (*i*)."

27. Amendment of section 2.—In section 2 of the Gift-tax Act, 1958, in clause (*xx*),—

(*i*) in sub-clause (*a*), after the words "in the case of an assessee", the words "having no source of income, profits or gains or" shall be inserted;

(*ii*) after sub-clause (*c*), the following provisos shall be inserted, namely:—

'Provided that where a person who has not been assessed under this Act for any assessment year makes a gift on a date which does not fall within a previous year as defined in sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*), the previous year shall be the twelve months ending on the 31st day of March immediately preceding the assessment year:

Provided further that where an assessment has been made under this Act for any assessment year in respect of gifts made by an assessee during any previous year, the meaning of the expression "previous year" as then applicable to him shall continue to apply for any subsequent assessment year unless the assessee is allowed to vary it with the consent of the Gift-tax Officer who may, in allowing any such variation, impose such conditions as he may think fit;'.

28. Amendment of Act 32 of 1934.—The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act), shall be amended in the manner specified in the Second Schedule.

29. Amendment of Act I of 1949.—In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1959", the figures "1960" shall be substituted.

30. Amendment of Act I of 1944.—In the First Schedule to the Central Excises and Salt Act 1944,—

(*a*) in Item No. 8, for the entry in the third column against sub-item (2), the entry "Five rupees and sixty naye paise per cwt." shall be substituted;

(*b*) in Item No. 9,—

(*i*) in sub-item I(5), for the description of goods in the second column, the following shall be substituted, namely:—

"if other than flue-cured and not actually used for the manufacture of (*a*) cigarettes or (*b*) smoking mixtures for pipe and cigarettes or (*c*) biris—

(*i*) stems of tobacco larger than $\frac{1}{4}$ inch in size,

(*ii*) dust of tobacco,

(*iii*) granule ('rawa') of tobacco capable of passing through a sieve made of wire not finer than 24 S.W.G. (0·022 inch diameter) and containing not less than 18 uniform, circular or square apertures per linear inch,

(*iv*) tobacco cured in whole leaf form and packed or tied in bundles, hanks, or bunches or in the form of twists or coils.

Explanation.—Such varieties of unmanufactured tobacco used in the manufacture of biris as the Central Government, by notification in the Official Gazette, specifies in this behalf shall not be deemed to fall within this sub-item but shall be deemed to be unmanufactured tobacco, not otherwise specified, within the meaning of sub-item (6).";

(*ii*) in sub-item II(2), for the entries in the third column against sub-items (vii), (viii) and (ix), the entries "Three rupees and fifteen naye paise", "Two rupees" and "One rupee and twenty naye paise" shall respectively be substituted;

(*c*) in Item No. 10, for the entry in the third column against sub-item (1), the entry "40 per cent. *ad valorem*" shall be substituted;

(*d*) in Item No. 11, for the entry in the third column, the entry "Eight rupees and seventy-five naye paise per cwt." shall be substituted;

(*e*) in Item No. 12A, for the entry in the third column, the entry "Six naye paise per square yard" shall be substituted;

(*f*) in Item No. 24, for the entry in the third column, the entry "Eighty naye paise per imperial gallon" shall be substituted;

(*g*) in Item No. 25, for the entry in the third column against sub-item (a), the entry "Fifty rupees per ton" shall be substituted.

31. Discontinuance of salt duty.—For the year beginning on the 1st day of April, 1959, no duty under the Central Excises and Salt Act, 1944, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

Declaration under the Provisional Collection of Taxes Act, 1931.

It is hereby declared that it is expedient in the public interest that the provisions of clauses 28, 29 and 30 of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 1931.

THE FIRST SCHEDULE

(*See* section 2)

PART I

Income-tax and surcharge on income-tax

PARAGRAPH A

(*i*) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

Rates of Income-tax

Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener.	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener.	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener	
	Rs.	Rs.	Rs.	
(1) On the first	3,000 of total income.	3,300 of total income	3,600 of total income.	*Nil*
(2) On the next	2,000 ,,	1,700 ,,	1,400 ,,	3%
(3) On the next	2,500 ,,	2,500 ,,	2,500 ,,	6%
(4) On the next	2,500 ,,	2,500 ,,	2,500 ,,	9%
(5) On the next	2,500 ,,	2,500 ,,	2,500 ,,	11%
(6) on the next	25,00 ,,	2,500 ,,	2,500 ,,	14%
(7) On the next	5,000 ,,	5,000 ,,	5,000 ,,	18%

(*ii*) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons, not being a case to which Paragraph B or Paragraph C or Paragraph D of this Part applies:—

	Rs.	
(1) On the first	1,000 of total income	*Nil.*
(2) On the next	4,000 ,, ,,	3%
(3) On the next	2,500 ,, ,,	6%
(4) On the next	2,500 ,, ,,	9%
(5) On the next	2,500 ,, ,,	11%
(6) On the next	2,500 ,, ,,	14%
(7) On the next	5,000 ,, ,,	18%
(8) On the balance of total income		25 %

Provided that for the purposes of this Paragraph—

(*i*) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(*ii*) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(*iii*) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(*a*) the income-tax which would have been payable if the total income had been Rs. 20,000;

(*b*) half the amount by which the total income exceeds Rs. 20,000;

The limit aforesaid shall be—

(*i*) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(*a*) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(*b*) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(*ii*) Rs. 3,000 in every other case.

Surcharges on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(*a*) A surcharge for purposes of the Union equal to the sum of—

(*i*) five per cent. of the amount of income-tax; and

(*ii*) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;

(*b*) A special surcharge on unearned income at fifteen per cent. of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income:

Provided that—

(*i*) no surcharge for purposes of the Union shall be payable where the total income does not exceed the limit specified below;

(*ii*) no special surcharge on unearned income shall be payable in the case of an assessee whose total income does not include any income from dividend on ordinary shares if his total

income does not exceed the limit specified below, and where the total income includes any dividends on ordinary shares, such limit shall be increased by Rs. 1,500 or the amount of the said dividends, whichever is less:

Provided further that—

(*a*) where the total income includes any dividends on ordinary shares, the surcharge for purposes of the Union and the special surcharge on unearned income shall not in each case exceed half the amount by which the total income exceeds the respective limits applicable in either case;

(*b*) the surcharge for purposes of the Union and the special surcharge on unearned income, both together, shall not exceed half the amount by which the total income exceeds the limit specified below;

The limit aforesaid shall be—

(*i*) Rs. 15,000 in the case of every Hindu undivided family which satisfies as at the end of the previous year either of the following conditions, namely:—

(*a*) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(*ii*) Rs. 7,500 in every other case.

Explanation.—For the purposes of this Paragraph, in the case of every Hindu undivided family governed by the *Mitakshara* law, a son shall be deemed to be entitled to claim partition of the coparcenary property against his father, or grand-father notwithstanding any custom to the contrary.

PARAGRAPH B

In the case of every company and local authority,—

Rate of income-tax

On the whole of the total income 30%

Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 5 per cent. thereon.

PARAGRAPH C

In every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate,—

Rate of income-tax

On the whole of the total income 25%

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge of 20 per cent. thereon.

PARAGRAPH D

In the case of every registered firm,—

Rates of income-tax

(1) On the first Rs. 40,000 of total income	..	*Nil*
(2) On the next Rs. 35,000 of total income	..	5%
(3) On the next Rs. 75,000 of total income	..	6%
(4) On the balance of total income	..	9%

PART II

Super-tax and surcharge on super-tax

PARAGRAPH A

In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which any other Paragraph of this Part applies,—

Rates of super-tax

(1) On the first Rs. 20,000 of total income	..	*Nil*
(2) On the next Rs. 5,000 of total income	..	5%
(3) On the next Rs. 5,000 of total income	..	15%
(4) On the next Rs. 10,000 of total income	..	20%
(5) On the next Rs. 10,000 of total income	..	30%
(6) On the next Rs. 10,000 of total income	..	35%
(7) On the next Rs. 10,000 of total income	..	40%
(8) On the balance of total income	..	45%

Surcharges on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(*a*) A surcharge for purposes of the Union equal to the sum of—

(*i*) five per cent. of the amount of super-tax; and

(*ii*) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;

(*b*) A special surcharge on unearned income at fifteen per cent. of the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any, included in the total income, if such earned income had been the total income.

PARAGRAPH B

In the case of every local authority,—

Rate of super-tax

On the whole of the total income .. 16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 12½ per cent. thereon.

PARAGRAPH C

In the case of every association of persons being a co-operative society as defined in clause (5B) of section 2 of the Income-tax Act,—

Rates of super-tax

(1) On the first Rs. 25,000 of total income .. *Nil*

(2) On the balance of total income .. 16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 12½ per cent. thereon.

PARAGRAPH D

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956).

Rate of super-tax

On the whole of its profits and gains from .. 11%

In the case of every other company,—

Rates of super-tax

On the whole of the total income .. 50%:

Provided that,—

(*i*) a rebate at the rate of 40 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 35 per cent. on the balance of the total income shall be allowed in the case of any company which—

(*a*) in respect of its profits liable to tax under the Income-tax Act for the year ending on the 31st day of March, 1960, has made the prescribed arrangements for the declaration and payment within India of the dividends payab'e out of such profits and for the deduction of super-tax from dividends in accordance with the provisions of sub-section (3D) of section 18 of that Act; and

(*b*) is such a company as is referred to in sub-section (9) of section 23A of the Income-tax Act with a total income n exceeding Rs. 25,000;

(*ii*) a rebate at the rate of 40 per cent. on so much of the total income as consits of dividends from a subsidiary Indian company and a rebate at the rate of 30% on the balance of the total income shall be allowed in the case of any company which satisfies condition (*a*) but not condition (*b*) of the preceding clause;

(*iii*) a rebate at the rate of 40% on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 20% on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that,—

(*i*) the amount of the rebate under clause (*i*) or clause (*ii*) shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

(*a*) On that part of the aggregate of the sums arrived at in accordance with clause (*i*) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance Act, 1958 (11 of 1958), as has not been deemed to have been taken into account, in accordance with clause (*ii*) of the said proviso, for the purpose of reducing the rebate mentioned in clause (*i*) of the said proviso to *nil*;	The whole amount of such part.
(*b*) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital except to the extent to which such bonus shares or bonus have been issued out of premiums received in cash on the issue of its shares ; and	at the rate of 30%
(*c*) in addition, in the case of a company referred to in clause (*ii*) of the preceding proviso which has distributed to its shareholders during the previous year dividends in excess of six per cent. of its paid-up capital, not being dividends payable at a fixed rate—	
(A) in the case of a company which is not such as is referred to in sub-section (9) of section 23A of the Income-tax Act—	
on that part of the said dividends which exceeds 6 per cent. but does not exceed 10 per cent. of the paid-up capital ;	at the rate of 10%
on that part of the said dividends which exceeds 10 per cent. of the paid-up capital ;	at the rate of 20%
and	
(B) in the case of any other company—	
on that part of the said dividends which exceeds 6 per cent. but does not exceed 10 per cent. of the paid up capital ;	at the rate of 10%
on that part of the said dividends which exceeds 10 per cent. but does not exceed 18 per cent. of the paid-up capital ;	at the rate of 20%
on that part of the said dividends which exceeds 18 per cent. of the paid-up capital ;	at the rate of 30%

(*ii*) where the sum arrived at in accordance with clause (*i*) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (*i*) or clause (*ii*), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (*a*), (*b*) and (*c*) of clause (*i*) of this proviso as is sufficient,

in that order, to reduce the rebate to *nil* shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand shall not exceed the aggregate of—

(*a*) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand, and

(*b*) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation.—For the purposes of this Paragraph,—

(*i*) the expression "paid-up capital" means the paid-up capital (other than capital entitled to a dividend at a fixed rate) of the company as on the first day of the previous year relevant to the assessment for the year ending on the 31st day of March, 1960, increased by any premiums received in cash by the company on the issue of its shares, standing to the credit of the share premium account as on the first day of the previous year aforesaid;

(*ii*) the expression "dividend" shall be deemed to include any distribution included in the expression "dividend" as defined in clause (6A) of section 2 of the Income-tax Act;

(*iii*) where any portion of the profits and gains of the company is not included in its total income by reason of such portion being exempt from tax under any provision of the Income-tax Act, the "paid-up capital" of the company, the amount distributed as dividends (not being dividends payable at a fixed rate), the amount representing the face value of any bouns shares and the amount of any bonus issued to the share-holders shall each be deemed to be such proportion thereof as the total income of the company for the previous year bears to its total profits and gains for that year other than capital receipts, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss account for that year.

PART III

Rates for deduction of tax under section 18 of the Income-tax Act at the prescribed rates

In every case in which under the provisions of section 18 of the Income-tax Act is to be deducted at the prescribed rates, deduction shall be made from the income subject to deduction at the following rates:—

	Income-tax		Super-tax	
	Rate of Income-tax	Rate of Surcharge	Rate of Super-tax	Rate of Surcharge
1. In the case of a person other than a company—				
(*a*) in every case, on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income tax free), and	25%	5%		
(*b*) in addition, where the person isone whom the person responsible for paying the income has no reason to believe to be resident in the taxable territories, on the whole income.			Super-tax and surcharge on super-tax in accordance with the provisions of clause (*b*) of sub-section (1) of section 17 of the Income-tax Act.	

	Rate of Income-tax	Rate of Super-tax
2. In the case of a company—		
(*a*) in every case—		
(*i*) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free) ; and	20%	
(*ii*) on the whole income (excluding dividends payable by an Indian company referred to in section 56A of the Income-tax Act); and		10%
(*b*) In addition,—		
(*i*) where the company is an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India, on the whole income (excluding dividends payable by its subsidiary Indian company, if any, or by an Indian company referred to in section 56A of the Income-tax Act)		15%
(*ii*) where the company is neither an Indian company nor a company which has made the prescribed arragements for the declaration and payment of dividends within India, on the whole income (excluding dividends payable by its subsidiary Indian company, if any, or by an Indian company referred to in section 56A of the Income-tax Act)		33%

THE SECOND SCHEDULE

(*See* section 28)

In the First Schedule to the Tariff Act,—

(*i*) in Item No. 29, for the existing entry in the fourth column, the entry "Rs. 2 per 100 linear feet" shall be substituted;

(*ii*) for Item No. 39 (1), the following Items shall be substituted, namely:—

Item No.	Name of the article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
1	2	3	4	5	6	7
"39(1)	Rubber manufactures, not otherwise sepcified, excluding apparel.	Revenue	35 per cent *ad valorem.*	..	..	..
39(2)	Rubber tyres and tubes for motor vehicles.	Revenue	40 per cent. *ad valorem.*	..	..	..
39(3)	Rubber tyres and tubes not otherwise specified.	Revenue	35 per cent *ad valorem.*	..	..	..

STATEMENT OF OBJECTS AND REASONS

The object of this Bill is to give effect to the financial proposals of the Central Government for the next financial year and to provide for certain connected matters. The notes on clauses explain the various provisions contained in the Bill.

New DELHI;

The 28th February, 1959.

MORARJI R. DESAI.

Notes on clauses

Clause 2 continues for the financial year 1959-60 the rates of income-tax and super-tax prescribed by the Finance Act, 1958, and prescribes the rates for deduction of tax at source from interest on securities, dividends, etc., and also the rates for advance payment of tax by companies during the financial year 1959-60.

Clause 3 makes the following amendments in section 4:—

Sub-clause (i) (a) withdraws the exemption up to Rs. 4,500 allowable to taxpayers resident in India in respect of their unremitted foreign income.

Sub-clause (i)(b) has the effect of bringing under taxation salaries paid by Government to its officers serving abroad.

Sub-clause (ii) clarifies the extent to which exemption from tax is available to the officials of the foreign diplomatic missions in India and their staff, and also makes a change consequential upon the amendment made by sub-clause (i)(b).

Clause 4 makes the following amendments in section 10:—

Sub-clause (i) enables certain specified allowances to be granted in pursuance of agreements entered into by the Central Government with concerns engaged in the exploration for and production of mineral oil in association with the Government.

Sub-clause (ii) abolishes the scheme of compulsory deposit for companies introduced by the Finance (No. 3) Act, 1956, and held in abeyance since 1st April, 1958.

Clause 5 makes a clarificatory amendment to section 12, consequential upon the omission of section 16(2) by clause 7, and provides that dividends declared by companies will be treated as the income of the shareholders in the previous year in which they are declared.

Clause 6 amends section 15C with retrospective effect to clarify that the exemption is not available to undertakings set up with buildings, plant and machinery which were previously used in any other business.

Clause 7 deletes sub-section (2) of section 16, thereby abolishing the scheme of grossing up of dividends in the assessment of shareholders of companies consistently with the changes proposed by clauses 9 and 14.

Clause 8 makes the following two amendments to section 17:—

Sub-clause (i) provides that Government servants posted for service abroad, who will become liable to tax hereafter on the salaries drawn by them abroad, will be charged to tax at the rates applicable to their total world income, and not at the flat rates normally applicable to non-resident taxpayers.

Sub-clause (ii) provides for the levy of tax on capital gains of companies at a total flat rate of 30 per cent. (10 per cent. super-tax in addition to 20 per cent. income-tax) against the existing rate of 30 per cent. income-tax and 1·5 per cent. surcharge thereon.

Clause 9 makes the following amendments to section 18 which deals with deduction of tax at source by persons responsible for making payments of certain kinds of income:—

Sub-clauses (i), (ii) and (iii) make formal amendments to section 18(2B), (3A) and (3B) relating to deduction of tax at source

on salary payments to non-residents and interest on securities and and other sums, so as to make these provisions simpler and uniform.

Sub-clause (iv) amends section 18(3D). At present, companies are not required to deduct income-tax on payments of dividends to shareholders as the shareholders are deemed to have paid income-tax through the companies. By this amendment, income-tax has to be deducted at prescribed rates on all dividend distributions. The existing provision for deduction of super-tax on dividends paid to non-resident shareholders will, however, continue to operate.

Sub-clauses (v) to (vii) formally amend certain other provisions of section 18 consequential upon the amendments referred to above.

Sub-clause (viii) inserts two new sub-sections in section 18 in order—

(a) to obviate deduction of tax on dividends which are payable on shares held by Government; and

(b) to clarify that the rates for deduction in all cases will be the rates specified in the Finance Act for the purpose from year to year.

The rates for deduction of tax during the financial year 1959-60 on interest on securities, dividends and other sums, which vary according as the recipient is a company or not a company and whether resident or not resident in India are specified in Part III of the Schedule to the Bill.

Clause 10 omits section 20 which provides for the issue of certificate to the shareholders receiving dividends as, in view of the changes proposed by clause 9, the certificate provided under section 18 for tax deductions will cover dividends also.

Clause 11 refixes the percentages for minimum distribution of dividends prescribed under section 23A for certain companies, consistently with the changes proposed in company taxation, so that the companies can continue to retain the same amount of net profits which they could have retained under the existing law without being subjected to the penal tax under that section.

Clause 12 makes a formal amendment to section 23B consequential upon the abolition of tax credit to the shareholders on their dividend income proposed by clause 9.

Clause 13 makes the following amendments to section 35:—

Sub-clause (i) makes section 35(9) inapplicable to dividends payable in respect of any previous year relevant to any year after the assessment year 1959-50, as the provision for recovery of refunds granted to shareholders in respect of dividends in cases where the company fails to pay up its tax will no longer be necessary in view of the changes proposed by clauses 7, 9 and 14.

Sub-clause (ii) makes the provision relating to recovery of rebates of income-tax granted to companies on their undistributed profits prior to 1956-57 inapplicable after the system of grossing of dividends is abolished.

Clause 14 amends section 49B, so as—

(i) to abolish, consistently with the changes proposed by clauses 7 and 9, the legal fiction in the existing scheme under which a shareholder is deemed to have paid income-tax on dividends received by him from a company, and

(ii) to retain in a suitably modified form the existing provision for adjustment of any agricultural income-tax paid by the company in the assessment of the shareholder receiving dividends from out of agricultural profits of the company.

Clause 15 omits section 49C dealing with adjustment of double taxation relief obtained by a company in the assessment of shareholders, which will become unnecessary on the abolition of grossing of dividends.

Clause 16 makes a formal amendment to section 51 consequential upon the omission of section 20.

Clause 17 amends section 52 to penalise the furnishing of false tax deduction certificates in the case of dividends and other incomes on which tax is to be deducted at source.

Clause 18 makes formal amendments to section 58 consequential in the omission of section 20.

Clause 19 contains formal provisions with respect to the commencement of the various provisions in this Bill relating to income-tax.

Clause 20 amends section 2 of the Wealth-tax Act, 1957, with retrospective effect to make it clear that which are disputed and taxes which are in arrears for more than a year are not to be deducted as debts in the computation of the net wealth of an assessee.

Clause 21 enhances from 1st April, 1959, the rates of wealth-tax in the case of individuals and Hindu undivided families.

Clause 22 amends section 2 of the Expenditure-tax Act, 1957.

Sub-clause (i) seeks to make it clear that the requirement that a person should be wholly or mainly dependent on the assessee for support and maintenance for the purpose of being a dependent has no application in relation to a spouse or minor child.

Sub-clause (ii) clarifies the meaning of the expression "previous year".

Clause 23 amends section 3 of the Expenditure-tax Act, 1957, in order to secure that for computing the income of the assessee during a previous year, income received for the benefit of the assessee or any of his dependants or both during that year is taken into account. Similarly it is sought to provide that where the assessee is a member of a Hindu undivided family or any other association of persons, any expenditure incurred for his benefit or for the benefit of any of his dependants from and out of the property or income of the family or association, as the case may be, is treated as his income.

Clause 24 amends section 4 of the Expenditure-tax Act, 1957.

Sub-clause (i) omits certain words from clause (i) of section 4 which appear to be unnecessary.

Sub-clause (ii) makes it clear that expenditure incurred by any dependant of the assessee (including, in the case of a Hindu undivided family, expenditure incurred by any member of the family from and out of the property or income of the family) is included in the taxable expenditure of the assessee.

Clause 25 amends section 5 of the Expenditure-tax Act, 1957.

Sub-clause (i) removes an exemption allowed in the case of certain expenditure in relation to owner-occupied properties because the expenditure in such cases is really in the nature of personal expenditure.

Sub-clause (ii) omits from section section 5 (f) references to bullion, precious stones and jewellery as they are now beeing included in section 6(1) (d).

Sub-clause (iii) amends section 5(g) so as to restrict the exemption to purchases of the more valuable products of cottage industry and works of art.

Clause 26 amends section 6 of the Expenditure-tax Act, 1957.

Sub-clause (i) provides that municipal taxes in respect of owner-occupied properties are not to be deducted in computing the taxable expenditure.

Sub-clause (ii) amends section 6(1)(d) so that bullion, precious stones and jewellery are treated in the same manner as furniture and other household goods.

Sub-clause (iii) amends section (1)(h) so as to make it clear that the allowance of Rs. 3,000 for a co-parcener is not allowed to him again where he is separately assessed and is entitled to the allowance of Rs. 30,000 under section 6(1)(h)(i).

Clause 27 amends section 2 of the Gift-tax Act, 1958, in order to clarify the meaning of the expression "previous year".

Clause 28, read with the Second Schedule, proposes certain changes in the Import Tariff:—

(a) The rate of duty of Rs. 1·75 per 100 linear feet on unexposed cinematograph films is proposed to be changed to Rs. 2·00 per 100 linear feet. The change is necessary to provide funds for the Film Finance Corporation.

(b) Item 39(1) of the Indian Tariff Act is being split up so as to provide for an increased rate of duty, equal to the excise duty, on tyres and tubes for motor vehicles only.

Clause 29 seeks to maintain for another year the *status quo* in regard to commitments under the General Agreement on Tariffs and Trade.

Clause 30—

Sub-clause (a) proposes an increase in the excise duty on khandsari sugar from Rs. 0-8-0 per cwt. to Rs. 5·60 per cwt.

Sub-clause (b) (i) seeks to make certain clarificatory amendments in sub-item I(5) of Item No. 9 relating to unmanufactured tobacco.

Sub-clause (b) (ii) proposes an increase in the excise duty on certain categories of cigarettes.

Sub-clause (c) proposes an increase in the excise duty on motor tyres from 30 per cent. *ad valorem* to 40 per cent. *ad valorem*.

Sub-clause (d) proposes an increase in the excise duty on vegetable product from Rs. 7·00 per cwt. to Rs. 8·75 per cwt.

Sub-clause (e) proposes an increase in the excise duty on art silk fabrics from Rs. 0-0-6 per sq. yd. to 6 naye paise per sq. yd.

Sub-clause (f) proposes an increase in the excise duty on refined diesel oils and vaporising oil from 40 naye paise per imperial gallon to 80 naye paise per imperial gallon.

Sub-clause (g) proposes an increase in the excise duty on diesel oil, not otherwise specified, from Rs. 40:00 per ton to Rs. 50·00 per ton.

Clause 31, like section 18 of the Finance Act, 1958, provides that salt shall be duty free for another year.

FINANCIAL MEMORANDUM

The Bill seeks to levy a basic excise duty of Rs. 5·60 per cwt. on khandsari sugar. Though the Central Excise Tariff provided for an excise duty of Rs. 0-8-0 per cwt., this duty was withdrawn by notification, with effect from 19-7-1952. With the re-imposition of the excise duty at a higher level all the khandsari sugar factories will have to be brought under excise control. This will necessitate the employment of some additional staff. The increase in staff together with incidental expenses of administration, is estimated to cost Rs. 2·67 lakhs.

I.—Volume of work

There are about 800 khandsari sugar factories which are now to be brought under excise control.

II.—Requirement of personnel and finance

	No.	Annual emoluments	Cost Rs.
A.—Officers—			
No. of Superintendents	1	1×6,720	=6,720
B.—Staff—			
No. of Deputy Superintendents	8	8×4,800	=38,400
No. of Inspectors	22	22×2,820	=62,040
No. of Sub-Inspectors	44	44×1,884	=82,896
No. of Head-Clerks	1	1×3,575	=3,575
No. of U.D.Cs.	2	2×2,568	=5,136
No. of L.D.Cs.	3	3×1,884	=5,652
No. of Steno-Typists	1	1×2,124	=2,124
C.—Incidental expenses—			
Incidental expenses including Class IV staff, contingencies, etc.			=60,000
TOTAL			=2,66,544

or Rs. 2·67 lakhs

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 9(iv) of the Bill, read with section 59 of the Income-tax Act, provides for rules being made with respect to the grant of certificates to shareholders of companies who are not liable to income-tax, in order to enable them to obtain their dividends without deduction of tax. The rule-making power is of a normal character.

LOK SABHA

A

BILL

to give effect to the financial proposals of the Central Government for the financial year 1959-60.

The President has, in pursuance of clauses (1) and (3) of article 117 and clause (1) of article 274 of the Constitution of India, recommended to the Lok Sabha, the introduction and consideration of the Bill.

M. N. KAUL,
Secretary.

(*Shri Morarji R. Desai,*
Minister of Finance.)

MEMORANDUM EXPLAINING THE PROVISIONS IN THE FINANCE BILL, 1959.

(Clauses referred to are clauses in the Bill)

I. INCOME-TAX

1. Rates of tax for financial year 1959-60.

It is proposed that the current rates of income-tax and super-tax be continued for the next financial year 1959-60, for all classes of taxpayers, including companies.

[Clause 2, Parts I and II of First Schedule]

2. Reform of the scheme of taxation of Company profits and the dividends declared therefrom.

(1) The Finance Bill includes certain proposals for amending the Income-tax Act with a view to introducing a change in the existing scheme of assessment of company profits and dividends. Under the existing scheme, in general, an Indian company is required to pay income-tax at 30 per cent. (plus surcharge at 1·5 per cent.) and super-tax at 20 per cent. on the whole of its taxable profits. When the company declares dividends out of the taxed profits, each shareholder is deemed to have himself paid on the dividend he receives a proportionate amount of income-tax (but not super-tax) through the agency of the company. In other words, the shareholder is deemed to have received not only the net amount mentioned in the dividend warrant but also a portion of the income-tax paid by the company. He is credited with the amount of income-tax attributable to the dividend received by him at the time of his assessment. As the tax credit is given at the company rate of income-tax, which is higher than the personal rates of income-tax applicable to the shareholder, the tax credit always exceeds the income-tax payable on the dividend by the shareholder, and the excess is set off against the other tax liabilities of the shareholder or is refunded to him. The process of increasing the dividend by a notional amount, which is known as "grossing", and giving tax credit to the shareholder involves several complications in actual practice. The complications arise out of the need to made a determination of the following factors which affect the rate at which grossing is to be done:—

(i) the composition of the profits of the company which have been availed of by it for declaring the dividends, that is, how much of the dividends have come out of the profits subjected to tax and how much out of exempted profits; and

(ii) the composition of the profits taken to reserves in earlier years, in cases where the company draws upon these past reserves for declaring dividends.

Further, as the determination of these factors will be possible only after the completion of the assessment of the company, the shareholder's assessment inevitably gets delayed.

(2) It is, therefore, proposed to revise the pattern of taxation of companies suitably in a manner which, while obviating the complications mentioned above, will maintain the *status puo* in all material respects with regard to revenue and the liability of the shareholders and the companies taken as a whole.

(3) The following are the main features of the scheme:—

(a) The present legal fiction of deeming a portion of the income-tax paid by the company on its profits as having been paid by the shareholder on the dividend he receives, and allowing the amount as tax credit against the shareholder's tax liability will be abolished.

(b) Consequently, the process of grossing the value of the dividends received by the shareholder will become unnecessary and will, therefore, be given up.

(c) As a corollary to (a) and (b), the tax rates for the companies themselves will be so modified as to produce the same amount of annual net revenue, i.e., the annual gross revenue now obtained from the companies less the annual credit given to the shareholders.

(d) Companies will deduct tax at prescribed flat rates from the dividend payable to the shareholders, by way of advance recovery, and pay it to Government. When the shareholders' assessments are made, the tax deducted at source from the dividends received by them will be made good to them either by way of set off against their tax liability or by way of refund.

(4) The new scheme is proposed to be applied to the profits of companies which will be assessable to tax in 1960-61 and to all dividends declared out of such profits. The profits of companies for the accounting years ending on 31st March, 1959 or earlier which will be assessable in 1959-60, and the dividends declared by the companies in respect of such accounting years, will continue to be dealt with under the existing scheme. In order to ensure its smooth and effective working from the beginning, it is necessary to implement the new scheme in two stages.

(5) In the first stage, i.e., during the financial year 1959-60, the provisions relating to deduction of tax at source on dividends will be put into operation. This will, however, relate, as already stated, only to those dividends which are distributed by the companies out of their profits chargeable to tax in the assessment year 1960-61. Thus, in the case of a company closing its accounts on the 30th of June, dividends declared by it for the year ending on 30th June, 1959, will be subjected to deduction of tax. In the case of a company closing its accounts for the calendar year, dividends declared by it for the year ended 31st December, 1958 will not be subjected to deduction of tax and will continue to be dealt with under the existing scheme. However, if in such a case, interim or preference dividends are declared after 1st April, 1959 for the accounting year ending on 31st December, 1959, the new scheme for deduction of tax will apply to those dividends.

(6) In the second stage, i.e., during the financial year 1960-61, all the parts of the scheme will come into operation. In particular, companies will be subjected to the revised rates of income-tax and super-tax, and the process of grossing of dividends in the assessment of the shareholders will be abolished, except in regard to dividends declared by a company for a year the profits of which are assessed in its hands in the assessment year 1959-60. Further, all the dividends declared after 1st April, 1960 (which will generally be only in respect of profits for account years relevant to assessment year 1960-61) will bear tax deduction at source.

(7) The proposed scheme will not, however, apply to foreign companies as they declare dividends outside India and the question of grossing those dividends does not arise.

(8) As mentioned by the Finance Minister in his Budget Speech, as a part of the programme for simplification of company taxation, this occasion is proposed to be availed of for replacing from 1960-61 the existing taxes on excess dividend distributions and on the wealth of companies, by a suitable increase in the rates of company super-tax.

PROVISIONS NECESSARY FOR INTRODUCING THE REVISED SCHEME OF TAXATION OF COMPANY PROFITS AND DIVIDENDS

3. **Amendments relating to the taxation of shareholders on their dividends.**

(1) **Abolition of Tax credit Deletion of Section 49B(1).**— Section 49B(1) of the Income-tax Act which incorporates the legal fiction under the existing scheme of deeming a portion of the income tax paid by the company as having been paid by the shareholder himself, is to be deleted. Section 49B(2) provides for the grant of appropriate relief to the shareholders receiving dividends from out of agricultural profits of companies subjected to agricultural income-tax by any State Government. As this relief will not be affected by the revised scheme of company taxation, it will continue to be granted. However, some verbal changes are necessary in the existing provision in the context of the new scheme, and for this purpose, section 49B(2) is proposed to be redrafted.

[Clause 14]

(2) **Abolition of adjustment to tax credit—Deletion of Section 49C.**— Section 49C of the Income-tax Act provides for the reduction in the amount of tax credit due to the shareholder on his dividend income in a case where the company obtains relief in India on account of double taxation, in India and in another country, of the profits from which the dividend has been declared. This provision is linked to the legal fiction under the existing scheme and is, therefore, to be deleted.

[Clause 15]

(3) **Abolition of grossing of Dividends—Deletion of Section 16(2).**— Consequent on the abolition of the legal fiction under which tax credit is given to the shareholders, Section 16 (2) of the Income-tax Act, which provides for the grossing of dividends in the assessments of the shareholders, is to be deleted. However, that portion of the existing provision which defines the time of accrual of the dividend income for the shareholder is proposed to be embodied in Section 12 (1A) of the Act which deals with dividends.

[Clauses 5, 7 and 9(v)]

(4) **Abolition of recovery from shareholders on account of nonpayment of tax by company—Amendment of Section 35(9).**—Section 35(9) of the Income-tax Act provides for the recovery of refund wrongly granted to a shareholder on his dividend income under the existing legal fiction in cases where the company concerned has failed to pay its income-tax dues within a period of 3 years. As under the new scheme the legal fiction is abolished, it is proposed to restrict the application of Section 35 (9) only to dividends declared by companies in respect of accounting years relevant to assessment year 1959-60 or earlier years.

[Clause 13(i)]

(5) **Deduction of tax at source on dividends—Amendments to Section 18.**—The provisions of Section 18 of the Income-tax Act at present provide for deduction of tax at source from all payments in respect of interest on securities, and only from payments to non-residents in respect of dividends and other sums chargeable to tax. Consistently with the new scheme, it is now proposed to enlarge these provisions so as to provide for the following:—

(i) deduction of tax at source by Indian companies on all dividends declared by them, and payment of the tax so deducted to Government, and

(ii) issue of tax deduction certificate by the company to the shareholder to enable him to claim refund or obtain the necessary adjustment against his tax liability at the time of his assessment. The tax deduction is to be made by the principal officer of the company before the cheque or warrant for payment of dividend is issued to the shareholder.

It is also proposed, for the sake of convenience of reference, to specify separately in the First Schedule to the Bill the rate for deduction of income-tax and super-tax under section 18, on interest on securities, dividends, etc. during the financial year 1959-60.

Some small consequential amendments are also proposed to be made to the other provisions in section 18 for the sake of uniformity of application.

[clauses 2(4) and 9; Part III of First Schedule to the Bill]

(6) **Abolition of existing form of dividend certificates—Deletion of Section 20.**—At present, under section 20 of the Income-tax Act, companies are required to furnish certificates of payment of tax by them in order to enable the shareholders to get their dividends grossed and obtain tax credit. Under the proposed scheme there will be no need for the issue of such certificates and so section 20 is proposed to be deleted. Certificates for deduction of tax from dividends will now be covered by section 18(9) of the Act.

[Clause 10]

(7) **Verbal amendments to sections 51 and 58.**—Consequentially, references to "section 20" in sections 51 and 58 of the Income-tax Act are also to be deleted.

[Clauses 16 and 18]

(8) **Punishment for false deduction certificates—Amendment of Section 52.**—Furnishing of a false certificate in respect of deduction of tax at source on payments of dividends or other kinds of income referred to in section 18 of the Income-tax Act will be treated as an offence punishable with fine or imprisonment.

[Clause 17]

(9) **Provisional Assessment—Amendment of Section 23B.**—Section 23B(4) of the Income-tax Act requires that the tax credit due to the shareholders on dividends under the present scheme should be taken into account at the time of making provisional assessments. This will

be unnecessary under the new scheme and the provision is, therefore, proposed to be amended.

[Clause 12]

(10) **Application of the new provisions to the shareholders.**—The new provisions relating to the deduction of tax at source from dividends and the assessment of shareholders under the revised scheme will become effective in relation to dividends declared by companies for accounting years the profits of which are liable to be assessed in the assessment year 1960-61 and later assessment years. The existing provisions will, however, continue to be operative even after the introduction of the new scheme in regard to dividends declared by companies for accounting years the profits of which are assessable in the assessment year 1959-60 or earlier assessment years. The following will exemplify the position:

Account year of company	Relevant assessment year for the company	Date of declaration of dividend by the company for that accounting year in col. 1	Whether the dividends will be 'grossed' or not in shareholder's assessments
1	2	3	4
Year ended			
30-9-58	1959-60	1-5-1959	Will be grossed
31-12-58	1959-60	1-6-1959	Do.
31-3-59	1959-60	1-9-1959	Do.
30-6-59	1960-61	1-12-1959	Will not be grorssed.
31-12-59	1960-61	(Interim or half yearly Preference dividend) 1-7-59	Do.

4. Provision relating to taxation of companies.

(1) **Advance payment of tax during 1959-60—Modification of Section 18A.**—As stated earlier, the rates of tax on company profits will be suitably revised from 1960-61, keeping in view the changes in the pattern of taxation, including the abolition of wealth-tax and excess dividends tax. Consistently with this proposed revision of rates of tax from 1960-61, it is necessary to modify the rates for advance payment of tax by companies during 1959-60. The rates proposed are:—

for Indian companies: 20 per cent. income-tax and 25 per cent. super-tax.

for foreign companies: 20 per cent. income-tax and 43 per cent. super-tax.

[Clause 2(5)]

(2) **Taxation of Capital Gains—Amendment of Section 17(7).**—At present, capital gains of companies are liable to income-tax (at 31·5 per cent.) but not to super-tax. Under the new scheme, the incidence of capital gains tax is proposed to be maintained at about the same level—*viz.*, 30 per cent. (20 per cent. of income-tax and 10 per cent. super-tax)

The total exemption of capital gains of companies from super-tax is accordingly to be substituted by a levy of a reduced rate of super-tax of 10 per cent.

[Clause 8(ii)]

(3) **Dividend distributions by Section 23A companies—Amendment of Section 23A.**—At present, companies in which the public are not substantially interested, *i.e.*, section 23A companies, are required in order to avoid the penal provisions of that section, to distribute as dividends at least 45 per cent. of industrial profits and 60 per cent. of the non-industrial profits remaining after payment of tax. It is proposed to raise these percentages to 50 and 65 respectively with a view to ensuring that the profits retained by these companies after the introduction of the new scheme, without being subjected to the penal tax, remain at the same level as before its introduction.

[Clause 11]

(4) **Abolition of recovery from companies of rebates previously granted—Deletion of Section 35(10).**—Section 35(10) provides for the recovery of income-tax rebates granted to a company in years prior to 1956-57 on its undistributed profits (when such a scheme of income-tax rebate was in force) in cases where the company distributes dividends in subsequent years out of those past profits on which it had obtained the rebate. This will become unnecessary when the new schemes of company taxation takes effect, and is, therefore, to be deleted.

[Clause 13]

Application of the new provisions.—The above amendments relating to taxation of companies themselves will come into force from 1st April, 1960, that is, in respect of profits made by companies in account years which will be assessable in 1960-61 and later years.

[Clause 19]

5. Other proposals for the amendment of the Income-tax Act.

(1) **Deletion of exemption of Rs. 4,500 for unremitted foreign income—Amendment of Section 4(1).**—Under the existing law, income which accrues or arises outside India but is not remitted to India in the same year is exempt upto a maximum of Rs. 4,500. In the present context of the economic development of our country, this concession is unnecessary and is, therefore, proposed to be deleted.

[Clause 3(i)(a)]

(2) **Taxation of salaries paid to non-resident Government servants—Insertion of new explanation in Section 4.**—Under the existing law, a person who is not resident in India is not taxed on the income which arises outside India. So Government servants who are posted abroad and become technically non-residents after some time are not liable to tax on the salaries drawn by them abroad. It is proposed that such salaries paid out of the public revenues of India (exclusive of all allowances and perquisites granted to meet the cost of having to stay abroad) be subjected to tax, irrespective of the period of the Government employee's stay abroad.

[Clauses 3(i)(b), 3(ii) and 8(i)]

(3) **Taxation of the remuneration of honorary consuls and certain officers of foreign missions in India—Amendment of Section 4(3)(x).**—At present, the Income-tax law specifically exempts from tax the remuneration received by consuls, vice-consuls. Trade Commissioners and similar official representatives of foreign Governments in India. Ambassadors and accredited Ministers of foreign Governments enjoy similar exemption on account of their diplomatic privileges recognised by international convention. It is now proposed to re-write the provisions of the income-tax law so as to cover all such exemptions in one place and to clarify that the exemptions are intended only for full-time official representatives and the members of their staff who are citizens of the foreign State concerned and not for persons who are working only in an honorary capacity.

[Clause 3(ii)]

(4) **Abolition of company deposit scheme—Deletion of Section 10(2B) and (2C).**—The company deposit scheme which was in operation during 1957-58 but was suspended during 1958-59 is proposed to be abolished.

[Clause 4(ii)]

(5) **Grant of special allowances to mineral oil undertakings with which Government is associated—Insertion of new section 10(2AA).**—The Government has entered into an agreement with an oil company for the purposes of prospecting for, extraction and production of mineral oil in India in association with it. This agreement provides for certain special allowances to be granted on account of exploration expenses, intangible capital expenses and depletion. It is now proposed to obtain the necessary legislative sanction in Income-tax Act itself enabling Government to give effect to the agreement and grant these special allowances.

[Clause 4(i)].

(6) **Denial of Tax holiday for new industrial undertakings created out of the assets of old business—Amendment of Section 15C(2).**—It is proposed to clarify the Government's intention underlying the five-year tax holiday for new industrial undertakings, that the exemption will not be available to undertakings which are formed by the transfer to such undertakings of assets previously used in any other business.

[Clause 6].

(7) **Application of the amendments.**—The above six amendments to the Income-tax Act will come into force on 1st April, 1959.

[Clause 19].

II. WEALTH TAX

Denial of Deduction of tax arrears as debts—Amendment of Section 2(m).—Ordinarily, debts owing by the assessee have to be deducted in computing his net wealth for purposes of Wealth-tax. To remove any doubt in regard to the treatment of tax arrears as deductible or otherwise, for this purpose, it is proposed to clarify with retrospective effect that taxes

(i) which are outstanding and are disputed by the assessee in appeals; and

(ii) which are otherwise outsanding for more than one year on the valuation date

will not be regarded as debts owing by the assessee for the purpose of deduction in computing his net wealth. This is only desirable, as otherwise tax-payers will be getting an unjustifiable relief under Wealth-tax resulting from their own defaults.

[Clause 20].

2. **Rates of Wealth-tax for 1959-60.**—With effect from the financial year 1959-60, the rates of wealth-tax for individuals and Hindu undivided families are proposed to be increased by ½ per cent throughout. The existing rates and the new rates proposed are as follows:

Individuals and Hindu undivided families	Existing rates	Proposed rates
On the slab—		
upto Rs. 2 lakhs for individuals / Rs. 4 lakhs for H. U. Fs.	Nil	Nil
above Rs. 2 lakhs and upto Rs. 12 lakhs for individuals / Rs. 4 lakhs and upto Rs. 13 lakhs for H. U. Fs.	½%	1%
above Rs. 12 lakhs and upto Rs. 22 lakhs for individuals / Rs. 13 lakhs and upto Rs. 23 lakhs for H. U. Fs.	1%	1½%
above Rs. 22 lakhs for individuals / Rs. 23 lakhs for H. U. Fs.	1½%	2%

For companies, the existing flat rate of ½ per cent on wealth in excess of Rs. 5 lakhs will continue to apply during 1959-60.

[Clause 21].

III. EXPENDITURE-TAX

1. Amendment of definition of "dependant".

At present, the wife and children of an individual are regarded as dependants only if they are wholly or mainly dependent on him for support and maintenance. It is now proposed to dispense with this requirement in their cases. Any other person, who is actually dependent on the assessee for support and maintenance, will also be regarded as a dependant.

[Clause 22].

2. Clarification of the scope of charge.

Proceedings under the Act lie only against a person whose net income after payment of taxes exceeds rupees thirty-six thousand. It is proposed to make it clear that for this purpose all income to which he or his dependants will be beneficially entitled should be taken into account, but the tax liability itself will continue to be determined solely with reference to taxable expenditure.

[Clause 23].

3. Expenditure incurred by dependants to be included in assessee's Expenditure.

Even at present, expenditure incurred by a dependant is included in the assessee's expenditure, if it has been met out of any gift, donation or settlement on trust made or created by the assessee, whether directly or indirectly. Since the basic allowance of rupees thirty thousand is meant for the assessee's family as a whole consisting of himself and his wife and minor children, it is only proper to take into account their aggregate expenditure, without looking into the source from where it has been met. In the case of a Hindu undivided family, expenditure incurred by a member will be treated as the family's expenditure, only if it has been met from the resources of the joint family.

[Clause 24].

4. Modification of certain exemptions and deductions.

Clause 25 curtails some of the exemptions at present admissible under section 5. The principal change is in respect of expenditure on repairs and maintenance of buildings. Under the Expenditure-tax Act, rent paid by the assessee for a residential house is his personal expenditure as also any monies spent by him on its maintenance or repairs. On the other hand, in the case of an assessee who resides in his own house, not only is no adjustment made for the saving of rent in the computation of expenditure, but he is also entitled to claim exemption for personal expenditure against repairs and maintenance of the house under the existing Act. To remove this anomaly as between persons who reside in rented premises and others who reside in their own properties, it is proposed to treat expenditure by way of repairs, maintenance, etc. in respect of the owner-occupied property, as personal expenditure.

[Clauses 25(i) and 26(i)].

5. Expenditure on bullion, precious stones or jewellery is at present completely exempt, while expenditure on household goods and other articles for personal use is charged to tax with the concession of its being distributed over a period of five years. Since the difference in treatment of the two cases is not justifiable, it is proposed to treat bullion, precious stones and jewellery in the same way as the other articles for personal use.

[Clauses 25(ii) and 26(ii)].

IV. GIFT-TAX

Amendment of definition of "previous year".

The change is merely of a clarificatory nature.

[Clause 27].

V. CENTRAL EXCISES

I. Changes proposed in the Bill

(a) Khandsari sugar.

	Rate of basic excise duty	Estimated revenue (Rs. lakhs)	Rate of additional excise duty	Estimate revenue (Rs. lakhs
	Rs.		Rs.	
(i) Proposed	5·60 per cwt.	1,82	0·70 per cwt.	25
(ii) Existing	..	..	..	..
(iii) Estimated additional yield at the proposed rates	..	1,82	..	25

With the doubling of the excise duty on crystal sugar in May, 1957 and imposition of additional excise duty in December, 1957, the margin in favour of the khandsari industry went up by an additional Rs. 8·93 per cwt. It is now proposed to reduce this margin.

[Clause 30(a)]

(b) (1) Unmanufactured tobacco

The specifications in respect of granule ('rawa') of tobacco have been tightened up. This has been necessitated by the persistent attempts which are being made by certain sections of the trade to use granule of tobacco assessable at the lower rate of 47 nP per lb., in increasing quantities, in the manufacture of biris, the tobacco for which is normally assessable at Re. 1 per lb. The other amendment provides for assessment, at the higher rate, of notified varieties of tobacco, otherwise assessable at the lower rate, when actually used for the manufacture of biris.

[Clause 30(b)(i)].

(b) (2) Cigarettes

	Tariff (Item No.)	Existing (Per thousand)	Proposed (Per thousand)
Rate of duty	91(2)(*vii*)	Rs. 2·75	Rs. 3·15
	(*viii*)	Rs. 1·50	Rs. 2·00
	(*ix*)	Rs. 1·00	Rs. 1·20
Estimated revenue	(*i*) Proposed	Rs. 10·50 lakhs.	
	(*ii*) Existing	Rs. 9·00 lakhs.	

There has been a shift in production from the higher to the lower categories to the disadvantage of revenue. With a view to arrest such a tendency and to improve the revenue from this commodity, the rates of the last three categories are increased. Simultaneously, by notification, the effective rates of duty on the first six categories (i.e., costlier varieties) are also raised.

The estimated total additional yield will be Rs. 1·50 lakhs.

[Clause 30(b)(ii)]

(c) Motor tyres

5	Rate of duty	Estimated revenue (Rs. lakhs)
(*i*) Proposed	40% *ad valorem*	7,075
(*ii*) Existing	30% *ad valorem*	6,705
(*iii*) Estimated additional yeild at the proposed rate	..	1

The proposal is to raise the duty on motor vehicle tyres only. There will be no increase in the existing rate of duty on cycle tyres.

[Clause 30(c)].

(d) Vegetable Product

	Rate of duty	Estimated revenue (Rs. lakhs)
(*i*) Proposed	Rs. 8·75 per cwt.	4,91
(*ii*) Existing	Rs. 7·00 „ „	3,96
(*iii*) Estimated additional yeild at the proposed rate	..	95

The relief in duty granted to the smaller producers in March, 1958 will continue with appropriate adjustments in the rates of duty.

[Clause 30(d)].

(e) Art Silk Fabrics

	Rate of basic duty	Estimated revenue (Rs. lakhs)	Rate of addl. duty	Estimated revenue (Rs. lakhs)
(*i*) Proposed	(*a*) 6 nP per sq. yd. and; (*b*) The present exemption is reduced from 9 power-looms to 4 power-looms.	1,80	(*a*) 3 nP per sq. yd. and (*b*) The present exemption is reduced from 9 power-looms to 4 power-looms.	
Existing	Rs. o-o-6 per sq. yd.	80	3 nP per sq. yd.	7
(*iii*) Estimated additional yeild at the proposed rate		100		20

The Tariff Commission have reported that the industry is making excessive profits and that the exemption in the present form in respect of the production of the first 9 looms is said to have induced fragmentation of units. With a view to mop up part of these profits as well as to arrest the present tendency towards fragmentation of units, it is proposed to raise the duty and to reduce the exemption limit from 9 looms to 4 looms.

[Clause 30(e)]

(f) Refined Diesel Oils and Vaporising Oil.

	Rate of basic duty	Estimated revenue (Rs.lakhs)
(*i*) Proposed	80 nP per I.G.	16,90*
(*ii*) Existing	40 nP Per I.G.	9,40*
(*iii*) Estimated additional yield at the proposed rate		7,50

*Includes revenue from additional duty of excise.

While there is a surplus in motor spirit, considerable quantities of refined diesel oils are being imported to meet the increasing demand in the country since the local production is insufficient to meet the requirements. This preference for refined diesel oils is largely due to the advantage in price which these oils have over motor spirit. With a view

to conserve foreign exchange and discourage excessive consumption of these oils, it is proposed to increase the duty on refined diesel oils and vaporising oil.

[Clause 30(f)]

(g) Diesel Oil, Not Otherwise Specified

	Rate of basic duty	Estimated revenue (Rs. lakhs)
(*i*) Proposed	Rs. 50·00 per ton	2,15*
(*ii*) Existing	Rs. 40·00 „ „	1,80*
(*iii*) Estimated additional yield at the proposed rate		35

*Includes revenue from additional duty of excise.

Simultaneously with the increase in duty on Refined Diesel Oils, the duty on Diesel Oil, Not Otherwise Specified, is also being readjusted.

[Clause 30(g)]

II. Changes made by Notification.

In addition to the changes made by the Finance Bill, 1959, referred to above, the following further changes are made by executive notifications:

(h) Art Silk Fabrics

Consequent on the increase in the basic excise duty from Rs. 0-0-6 to 6 nP per sq. yd., the rates of basic compounded duty have also been revised as follows:—

	Existing rate of duty	Proposed rate of duty
	Rs.	Rs.
Per powerloom per month		
(*a*) First shift	27	50
(*b*) Second shift	18	35
(*c*) Third shift	10	20

The rates of duty for warp knitting machines will be double the rates for powerlooms. There is no change in the rates of additional excise compounded duty.

(i) Tea

	Rate of excise duty	Estimate revenue (Rs. lakhs)
(*i*) Proposed	Zone III-A 8 nP per lb. Zone III-B 12 nP per lb	7,38
(*ii*) Existing	10 nP per lb	6,80
(*iii*) Estimated additional revenue		58

The teas grown in the gardens situated in certain high altitude areas are reported to have been affected adversely by the existing rate of duty because of their high cost of production. It has, therefore, been necessary to readjust the rates of duty in Zone III as shown above. The net effect of the proposals is that teas grown in certain parts of Darjeeling and Nilgiris will get relief of 4 nP per lb., in excise duty.

(j) Vegetable Non-essential Oils

	Rate of excise duty	Estimated revenue (Rs. lakhs)
(*i*) Proposed	Rs. 112/- per ton. The existing exemption on the first 75 tons is to be withdrawn. The production up to 75 tons is to pay duty at the rate of Rs. 70/- per ton and the production in excess of this limit is to pay duty at the standard rate	13,70
(*ii*) Existing	Rs. 112/- per ton. First 75 tons exemp 75 to 125 tons, applicable—Rs. 70/- per ton	8,80
(*iii*) Estimated additional yield.		4,40

It is reported that there is unfair competition from the exempted sector and even evasion. It is, therefore, proposed to withdraw the exemption and bring all the power-driven units into the excise net. Village ghanies, which are not power-driven, will continue to enjoy the exemption from duty.

(k) Rayon and Synthetic Fibres and Yarn

	Existing rate of duty	Proposed rate of duty
(1) Rayon yarn—		
(*i*) below 75 deniers	Rs. 0-8-0 per lb.	Rs. 0·80 per lb.
(*ii*) 75 deniers and above but not above 100 deniers	Rs. 0-6-0 „ „	Rs. 0·60 „ „
(*iii*) above 100 deniers	Rs. 0-4-0 „ „	Rs. 0·40 „ „
(2) Staple fibre yarn	Nil	Nil
(3) Staple fibre	Rs. 0-2-0 per lb.	Rs. 0·20 per lb.
Revenue at the proposed rates		Rs. 1·93 lakhs
Revenue at the existing rates		Rs. 1·43 lakhs
Estimated additional yield		Rs. 50 lakhs

The justification for the increase is that the industry is making excessive profits.

VI. CUSTOMS

Only two changes to the Indian Tariff Act have been proposed in the Bill. They are set out in the Table below. Their impact on revenue is negligible.

TABLE 1

S. No.	Reference in the Second Schedule to Bill (sub-item No.)	Item in the tariff schedule	Brief description of the article	Present rate of duty		Proposed rate of duty		Additional revenue expected (in lakh Rs. to nearest lakh)	Remarks
				Standard rate of duty	Preferential rate of duty if any	Standard rate of duty,	Preferential rate of duty if any		
1	2	3	4	5	6	7	8	9	10
1	(*i*)	29	Cinematograph films un-exposed.	Rs. 1·75 per 100 linear feet.	..	Rs. 2·00 per 100 linear feet.	..	5	The increase in duty is being effected to provide funds for the Film Finance Corporation which is being set up.
2	(*ii*)	39(2)	Rubber tyres & tubes for motor vehicles.	35% *ad valorem*	..	40% *ad valorem*	..	2	The existing item 39(1) is being split up into three separate items so as to provide for an increased rate of duty, equal to the excise duty proposed in the Bill, on rubber tyres and tubes for motor vehicles.

2. It may be mentioned that an additional Customs revenue of nearly Rs. 3,60 lakhs is expected purely as a consequence of the changes effected in the Central Excise Tariff, by way of countervailing increases in duties

on various items. These changes together with their revenue effect are set out in table 2 below:—

TABLE 2

S. No.	Brief description of article	Item in the tariff schedule	Rate of duty	Present rate of excise duty	Proposed rate of excise duty	Additional revenue expected (in lakh rupees)	Remarks
1	2	3	4	5	6	7	8
1	Diesel oil not otherwise specified (Industrial fuel oil).	27(7) (*b*)(i)	16% *ad valorem* plus the excise duty.	Rs. 40·00 per ton	Rs. 50·00 per ton	210	There is an additional excise duty, which is also a countervailing Customs duty ; these rates are not changed. (*The present rate is Rs. 11·64 per ton.).
2	High Speed Diesel Oil.	27(5)	20 nP per I.G. or 16% *ad valorem* which ever is *higher* plus the excise duty.	40 nP per I.G.	80 nP per I.G.	110	There is an additional excise duty* which is also countervailing Customs duty ; these rates are not changed (*The present rate is 7 nP per I G. on HSD and 3 nP per I.G. on Vaporising Oil.).
3	Art Silk Fabrics.	48(4) etc.	(Various rates)	6 pies per Sq. yd.	6 nP per Sq. Yd.	Negligible	..
4	Staple fibre .	46(6)	25% *ad valorem* plus excise duty.	2 annas per lb.	20 nP per lb.	Negligible	..
5	Art Silk yarn	47(2) I.C.T.	(Various rates)	..	..	40	Changes are being effected in Central Excise Duties on different varieties of rayon yarn by way of amending an existing notification. Similar corresponding changes are being made in existing rates of customs duty on similar varieties of yarn, also prescribed by notification.
					TOTAL .	3,60 lakhs	

3. The export duty on tea is being reduced by notification from 26 nP per lb. to 24 per lb. as a measure of relief to common teas and to improve the competitive position of Indian teas in foreign markets. The loss of revenue is estimated at Rs. 93 lakhs.

THE FINANCE ACT, 1959

No. 12 OF 1959

[29*th April*, 1959]

An Act to give effect to the financial proposals of the Central Government for the financial year 1959-60

BE it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. (*1*) **Short title and commencement.**—This Act may be called the Finance Act, 1959.

(*2*) Save as otherwise provided in this Act, sections 3 to 18 inclusive and sections 20 to 27 inclusive shall be deemed to have come into force on the first day of April, 1959.

2. (*1*) **Income-tax and super-tax.**—Subject to the provisions of sub-sections (2) and (3), for the year beginning on the 1st day of April, 1959,—

(*a*) income-tax shall be charged at the rates specified in Part I of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge on unearned income, calculated in either case in the manner provided therein; and

(*b*) super-tax shall, for the purposes of section 55 of the Indian Income-tax Act, 1922 (11 of 1922) (hereinafter referred to as the Income-tax Act), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge on unearned income, calculated in either case in the manner provided therein.

(*2*) In making any assessment for the year ending on the 31st day of March, 1960,—

(*a*) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" or any income chargeable under the head "Interest on Securities" or any income from dividends in respect of which by virtue of section 49B of the Income-tax Act he is deemed himself to have paid the income-tax imposed under that Act, the income-tax payable by the assessee on that part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance Act, 1958 (11 of 1958), on his total income the same proportion as the amount of such inclusion bears to his total income;

(*b*) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (*2*) of section 18 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total

amount of super-tax payable according to the rates applicable under the operation of the Finance Act, 1958 (11 of 1958), on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In cases to which section 17 of the Income-tax Act applies the tax chargeable shall be determined as provided in that section, and with reference to the rates imposed by sub-section (1).

(4) In cases in which tax has to be deducted under section 18 of the Income-tax Act at the prescribed rates, the deduction shall be made at the rates specified in Part III of the First Schedule.

(5) In the case of a company liable to make payments of tax under section 18A of the Income-tax Act during the financial year beginning on the 1st day of April, 1959, the provisions of that section shall have effect as if the references to the rates of income-tax and super-tax in force for that financial year were references respectively—

(a) to a rate of 20 per cent. for income-tax; and

(b) to a rate of—

(i) 25 per cent. for super-tax in the case of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India; and

(ii) 43 per cent. for super-tax in the case of any other company.

(6) For the purposes of this section, and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the Income-tax Act, and the expression "earned income" has the meaning assigned to it in clause (6AA) of section 2 of that Act.

3. Amendment of section 4.—In section 4 of the Income-tax Act,—

(i) in sub-section (1),—

(a) the third proviso shall be omitted;

(b) after *Explanation 2*, the following *Explanation* shall be inserted, namely:—

"*Explanation 2A.*—Income which would be chargeable under the head "Salaries" if payable in the taxable territories but which is paid without the taxable territories by the Government to a citizen of India for rendering service without the taxable territories shall be deemed to accrue or arise in the taxable territories.";

(ii) in sub-section (3), for clause (x). the following clauses shall be substituted, namely:—

"(x) Any income received—

(a) by the Ruler of an Indian State as his privy purse under article 291 of the Constitution;

(b) by any ambassador, high commissioner, envoy, minister, *charge d'affaires*, commissioner, counsellor or the secretary, adviser or attache of an embassy, high commission,

legation or commission of a foreign State as remuneration from such State for service in such capacity;

(*c*) by a *consul de carriere*, whether called a consul-general, consul, vice-consul, consular agent, pro-consul or by any other name, of a foreign State as remuneration from such State for service in such capacity;

(*d*) by a trade commissioner or other official representative in India of the Government of a foreign State (not holding office as such in an honorary capacity) as his remuneration, if the remuneration of the corresponding officials, if any, of the Government resident for similar purposes in the country concerned enjoys a similar exemption in that country;

(*e*) by a member of the staff of any of the officials referred to in clause (*b*) or clause (*c*) or clause (*d*) as his remuneration, if the member—

(*i*) is a subject of the country represented;

(*ii*) is not engaged in any business, profession, vocation or employment in India otherwise than as a member of such staff; and further, where the individual is a member of the staff of any official referred to in clause (*d*), if the country represented has made corresponding provisions for similar exemptions in the case of members of the staff of the corresponding officials of the Government.

(*xa*) Any allowances or perquisites paid or allowed as such without the taxable territories by the Government to a citizen of India for rendering service without the taxable territories.".

4. **Amendment of section 10.**—In section 10 of the Income-tax Act,—

(i) after sub-section (*2A*), the following sub-section shall be inserted, namely:—

"(*2AA*) For the purpose of computing the profits or gains of any business consisting of the prospecting for or extraction of production of mineral oils in relation to which the Central Government has entered into an agreement with any person for the association or participation in such business of the Central Government (which agreement has been laid on the Table of each House of Parliament), there shall be made in lieu of, or in addition to, the allowances admissible under sub-section (*2*), such allowances as are specified in the agreement in relation—

(*a*) to expenditure by way of infructuous or abortive exploration expenses in respect of any area surrendered prior to the beginning of commercial production by the assessee;

(*b*) after the beginning of commercial production, to expenditure incurred by the assessee, whether before or after such commercial production, in respect of drilling or exploration activities or services or in respect of physical assets used in that connection except assets on which allowance for depreciation is admissible under sub-section (*2*); and

(*c*) to the depletion of mineral oil in the mining area in respect of the assessment year relevant to the previous year in which commercial production is begun and for such succeeding year or years as may be specified in the agreement;

and such allowances shall be computed and made in the manner specified in the agreement, the other provisions of this Act being deemed for this purpose to have been modified to the extent necessary to give effect to the terms of the agreement:";

(*ii*) sub-sections (*2B*) and (*2C*) shall be omitted.

5. Amendment of section 12.—In section 12 of the Income-tax Act, for sub-section (*1A*), the following sub-section shall be substituted, namely:—

"(*1A*) Income from other sources shall include dividends, and any dividend declared by a company or distributed or paid by it within the meaning of sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*) or sub-clause (*d*) or sub-clause (*e*) of clause (*6A*) of section 2, shall be deemed to be the income of the previous year in which it is so declared, distributed or paid, as the case may be.".

6. Amendment of section 15C.—In section 15C of the Income-tax Act, in clause (*i*) of sub-section (*2*), for the words and figures "used in a business which was being carried on before the 1st day of April, 1948", the words "previously used in any other business" shall be substituted, and shall be deemed always to have been substituted.

7. **Amendment of section 16.**—In section 16 of the Income-tax Act, sub-section (*2*) shall be omitted.

8. Amendment of section 17.—In section 17 of the Income-tax Act,—

(*i*) after sub-section (*1*), the following sub-section shall be inserted, namely:—

"(*1A*) Notwithstanding anything contained in sub-section (*1*), where a citizen of India, not resident in the taxable territories, is in receipt of salary from the Government for rendering service without the taxable territories, the tax, including super-tax payable by him on his total income for the assessment years commencing with the assessment year 1960-61 shall be determined with reference to his total world income in the manner specified in the first proviso to sub-section (*1*).";

(*ii*) for sub-section (7), the following sub-section shall be substituted, namely:—

"(7) Where the total income of a company includes any income chargeable under the head "Capital Gains", the super-tax payable by it shall be the aggregate of the tax calculated—

(*i*) at the rate of ten per cent. on the amount of Capital Gains so included; and

(*ii*) at the rate applicable to the company on its total income as reduced by the amount of the Capital Gains, had such reduced income been its total income."

9. Amendment of section 18.—In section 18 of the Income-tax Act,—

(*i*) in sub-section (*2B*), for the words "to a person not resident in the taxable territories shall, at the time of payment, deduct income-tax at the maximum rate and also super-tax on the estimated income of the assessee under this head in accordance with the provisions of clause (*b*) of sub-section (*1*) of section 17", the words "to a person not resident in the taxable territories, not being a person referred to in sub-section (*1A*) of section 17, shall, at the time of payment, deduct income-tax and super-tax at the prescribed rates on the estimated income of the assessee under this head" shall be substituted;

(*ii*) for sub-sections (*3*) and (*3A*), the following sub-section shall be substituted, namely:—

"(*3*) The person responsible for paying any income chargeable under the head "Interest on Securities" shall, at the time of payment, deduct income-tax and super-tax at the prescribed rates on the amount of interest payable:

Provided that where, in the case of any recipient, the Income-tax Officer gives a certificate in writing (which certificate he shall give in every proper case on the application of the assessee) that to the best of his belief the total income or the total world income of the recipient will be less than the minimum liable to income-tax or will be liable to income-tax at a rate which is less than the prescribed rate, the person responsible for paying the interest to such recipient shall, until such certificate is cancelled by the Income-tax Officer, pay the interest without deduction or deduct the tax at such lesser rate, as the case may be:

Provided further that where the recipient is not a company, the proviso to sub-section (2B) shall apply to the deduction of super-tax under this sub-section as it applies to the deductions of super-tax under sub-section (*2B*).";

(*iii*) for sub-section (*3B*), the following sub-section shall be substituted, namely:—

"(*3B*) Any person responsible for paying to a person, not being a company, who is not resident in the taxable territories or to a company which is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India, any interest, not being "Interest on Securities", or any other sum, not being dividends, chargeable under the provisions of this Act, shall, at the time of payment, unless he is himself liable to pay any income-tax and super-tax thereon as an agent, deduct income tax and super-tax at the prescribed rates:

Provided that where the recipient is not a company, the proviso to sub-section (*2B*) shall apply to the deduction of income tax and super-tax under this sub-section as it applies to the deduction of income-tax and super-tax under sub-section (*2B*):

Provided further that nothing in this sub-section shall apply to any payment made in the course of transactions in respect of which a person responsible for payment is deemed under the first proviso to section 43 not to be an agent of the recipient.";

(*iv*) for sub-section (*3D*), the following sub-sections shall be substituted, namely:—

"(*3D*) The principal officer of an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India shall, before making any payment in cash, or before issuing any cheque or warrant in respect of any dividend or before making any distribution or payment to a shareholder of any dividend within the meaning of sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*) or sub-clause (*d*) or sub-clause (*e*) of clause (*6A*) of section 2, deduct on the amount of such dividend, income-tax and super-tax at the prescribed rates:

Provided that where, in the case of any shareholder, not being a company, the Income-tax Officer gives a certificate in writing (which certificate he shall give only in accordance with the rules made in this behalf) that to the best of his belief the total income or the total world income of the shareholder will be less than the minimum liable to income-tax, the principal officer responsible for paying any dividend to such shareholder shall, until such certificate is cancelled by the Income-tax Officer, pay the dividend without deduction.

(*3E*) Where any share held by a shareholder carries as respects dividends a preferential right to be paid a fixed amount or an amount calculated at a fixed rate free of tax, then, notwithstanding such preferential right, tax shall be deductable under sub-section (*3D*), and for the purposes of such deduction the amount payable to the shareholder as dividend shall be taken to be such amount as would, after deduction of a sum equal to thirty per cent. thereof, be equal to the net amount of dividend receivable by the shareholder free of tax.

(*3F*) Where the principal officer of a company considers that by reason of the provisions of section 15C no income-tax or super-tax will be payable by the recipient on the whole or any portion of the dividend referred to in sub-section (*4*) of that section he may, before paying the dividend to the shareholder or issuing any cheque or warrant in respect thereof, make an application to the Income-tax Officer to determine the appropriate proportion of the dividend on which income-tax or super-tax is not payable by the recipient under the provisions of section 15C; and on such determination by the Income-tax Officer, no income-tax or super-tax shall be deducted on such proportionate amount.";

(*v*) in sub-section (*5*),—

(*a*) the words, brackets and figures "and any sum by which a dividend has been increased under sub-section (*2*) of section 16" and the words and figures "or section 20, as the case may be" shall be omitted;

(b) in the third proviso, the words, brackets and figures "or in respect of any sum by which the dividend has been increased under sub-section (2) of section 16," shall be omitted;

(*vi*) in sub-section (*7*),for the words "If any such person does not deduct or after deducting fails to pay the tax as required

by or under this section, he, and in the cases specified in sub-section (*3D*) the company of which he is the principal officer", the following words shall be substituted, namely:—

"If any person or the principal officer of a company does not deduct tax or after deducting fails to pay the sums deducted as required by or under this section, he, or the company, as the case may be,";

(*vii*) *in sub-section* (*9*),—

(*a*) the brackets, figure and letter "(*3A*)," shall be omitted;

(*b*) for the words "from which tax has been deducted, furnish to the person to whom such payment is made", the following words shall be substituted, namely:—

"or, as the case may be, at the time of issue of a cheque or warrant for payment of any dividend to a shareholder furnish to the person to whom such payment is made or the cheque or warrant is issued";

(*viii*) after sub-section (*9*), the following sub-sections shall be inserted, namely:—

"(*10*) Notwithstanding anything contained in this section, no deduction of tax shall be made on any interest or dividend payable to the Government or to the Reserve Bank of India in respect of any securities or shares owned by it or in which it has full beneficial interest.

(*11*) For the purposes of deduction of tax under sub-sections (*2B*), (3), (*3B*) and (*3D*) the expression "prescribed rates" means the rates prescribed in this behalf by the Finance Act of the year in which such deduction is required to be made.".

10. Omission of section 20.—Section 20 of the Income-tax shall be omitted.

11. Amendment of section 23A.—In section 23A of the Income-tax Act, in *Explanation 2*, for the figures "45 per cent." and "60 per cent.", in both the places where they occur, the figures "50 per cent." and "65 per cent." shall respectively be substituted.

12. Amendment of section 23B.—In section 23B of the Income-tax Act, in sub-section (*6*), the words "or deemed to have been paid" shall be omitted.

13. Amendment of section 35.—In section 35 of the Income-tax Act,—

(*i*) to sub-section (*9*), the following proviso shall be added, namely:—

"Provided that this sub-section shall not apply in relation to dividends payable by a company in respect of any previous year relevant to any assessment year commencing on or after the 1st day of April, 1960.";

(*ii*) sub-section (*10*) shall be omitted.

14. Substitution of new section for section 49B. Relief to shareholders in respect of agricultural income-tax attributable to dividends.—For section 49B of the Income-tax Act, the following section shall be substituted, namely:—

"49B. Where a company pays to a shareholder any dividend out of its profits and gains which is assessed to agricultural income-tax

by any State Government, the shareholder shall be entitled to a reduction from the tax payable by him under this Act, of a sum equal to—

(*a*) that proportion of the agricultural income-tax (including super-tax if any paid by the company as the amount of the dividend attributable to the profits of the company assessed to agricultural income-tax bears to its total profits assessed to agricultural income-tax, reduced by the amount of refund, if any, allowed to him by the State Government; or

(*b*) where the shareholder—

(*i*) is not a company, the amount of income-tax (but not super-tax) payable by him under this Act; and

(ii) is a company, 20 per cent.;

on that portion of the dividend which is attributable to the profits of the company assessed to agricultural income-tax; whichever is less.".

15. Omission of section 49C.—Section 49C of the Income-tax Act shall be omitted.

16. Amendment of section 51.—In section 51 of the Income-tax Act, in clause (*b*), the words and figures "or by section 20" shall be omitted.

17. Amendment of section 52.—In section 52 of the Income-tax Act, after the words, brackets and figures "or sub-section (3) of section 33", the words, brackets and figures "or furnishes a certificate under sub-section (9) of section 18" shall be inserted.

18. **Amendment of section 58.**—In section 58 of the Income-tax Act,—

(*i*) in sub-section (*1*), the word and figures "and 20" shall be omitted;

(*ii*) in sub-section (*2*), for the brackets, figure and letter "(*3A*)", the brackets and figure "(3)" shall be substituted.

19. Commencement of the amendments to Act 11 of 1922.—(*1*) The amendments to the Income-tax Act made by—

(*a*) sub-clause (*a*) of clause (*i*) of section 3, in so far as it seeks to omit the third proviso to sub-section (*1*) of section 4 in its application to income chargeable under the head "Salaries";

(*b*) sub-clause (*b*) of clause (*i*) and clause (*ii*) of section 3; and

(*c*) clause (*i*) of section 8;

shall, for the purpose of making any deductions of income-tax and super-tax under sub-section (*2*) of section 18 of the Income-tax Act, have effect on and from the first day of April, 1959, and for other purposes shall have effect on and from the first day of April, 1960.

(*2*) The amendments to the Income-tax Act made by section 9, section 10, section 16 and section 18 shall be deemed to have come into force on the first day of April, 1959.

(*3*) The amendments to the Income-tax Act made by section 5, section 7, clause (*ii*) of section 8, section 11, section 12, section 13,

section 14 and section 15 shall have effect on and from the first day of April, 1960.

(4) Notwithstanding anything contained in sub-section (2) or sub-section (3), in relation to dividends declared or payable by a company in respect of any previous year relevant to any assessment year prior to the assessment year 1960-61, the Income-tax Act shall have effect as if the amendments contained in section 5, section 7, section 9, section 10, section 14, section 15, section 16 and section 18 had not been made.

20. Amendment of section 2.—In section 2 of the Wealth-tax Act, 1957 (27 of 1957) (hereinafter referred to as the Wealth-tax Act), in clause (*m*), the following amendments shall be made and shall be deemed always to have been made, namely:—

(*i*) in sub-clause (*i*), the word "and" shall be omitted;

(*ii*) in sub-clause (*ii*), the word "and" shall be inserted at the end; and

(*iii*) after sub-clause (*ii*), the following sub-clause shall be inserted, namely:—

"(*iii*) the amount of the tax, penalty or interest payable in consequence of any order passed under or in pursuance of this Act or any law relating to taxation of income or profits, or the Estate Duty Act, 1953 (34 of 1953), the Expenditure-tax Act, 1957 (29 of 1957), or the Gift-tax Act, 1958 (18 of 1958),—

(*a*) which is outstanding on the valuation date and is claimed by the assessee in appeal, revision or other proceeding as not being payable by him, or

(*b*) which, although not claimed by the assessee as not being payable by him, is nevertheless outstanding for a period of more than twelve months on the valuation date;".

21. Amendment of Schedule.—In the Schedule to the Wealth-tax Act,—

(*i*) in the rates of tax specified in paragraphs (*a*) and (*b*) of Part I, for the figures "½%", "1%" and "1½%" in both the places where they occur, the figures "1%", "1½%" and "2%" shall respectively be substituted;

(*ii*) in Rule 2, for the figures and words 1·5 per cent", the figure and words "2 per cent" shall be substituted.

22. Amendment of section 2.—In section 2 of the Expenditure-tax Act, 1957 (29 of 1957) (hereinafter referred to as the Expenditure-tax Act),—

(*i*) in clause (*g*), for sub-clause (*i*), the following sub-clause shall be substituted, namely:—

"(*i*) where the assessee is an individual, his or her spouse or minor child, and includes any person wholly or mainly dependent on the assessee for support and maintenance;";

(*ii*) for clause (*n*), the following clause shall be substituted, namely:—

'(*n*) "previous year", in relation to any assessment year,—

(*a*) in the case of an assessee having a source of income, profits or gains in respect of which there is no previous

year under the Income-tax Act, means the twelve months ending on the 31st day of March immediately preceding the assessment year;

(*b*) in the case of an assessee having different previous years under the Income-tax Act for different sources of income, profits or gains, means that previous year of twelve months determined as the previous year under sub-clause (*a*) of clause (*11*) (*i*) of section 2 of the Income-tax Act or such period determined as the previous year under sub-clause (*b*) of clause (*11*) (*i*) of that section, whichever expired last;

(*c*) in the case of any other assessee, means the previous year as defined in clause (*11*) of section 2 of the Income-tax Act if an assessment were to be made under that Act for that year:

Provided that where an assessment has been made under this Act for any assessment year in respect of the expenditure incurred by an assessee in the previous year, the meaning of the expression "previous year" as then applicable to him shall continue to apply in respect of any subsequent assessment year unless the assessee is allowed to vary it with the consent of the Expenditure-tax Officer who may, in allowing any such variation, impose such conditions as he may think fit.'.

23. Amendment of section 3.—In section 3 of the Expenditure-tax Act, for the proviso to sub-section (*1*), the following shall be substituted, namely:—

"Provided that no expenditure-tax shall be payable by an assessee for any assessment year if the income from all sources derived by the assessee and his dependants during the previous year as reduced by the amount of taxes to which such income may be liable under any law for the time being in force does not exceed rupees thirty-six thousand.

Explanation.—Income derived by an assessee or any of his dependants shall include—

(*i*) income which a trustee or any other person receives or is entitled to receive during the previous year on behalf of the assessee or any of his dependants, or both, as the case may be; and

(*ii*) in the case of an assessee being an individual who is a member of a Hindu undivided family or of any association of persons, any sum in money or money's worth spent or disbursed for the benefit of the assessee or any of his dependants during the previous year from or out of the income or property of the Hindu undivided family or the association, as the case may be.".

24. Amendment of section 4.—In section 4 of the Expenditure-tax Act,—

(*a*) in clause (*i*), the words "which, but for the expenditure having been incurred by that other person, would have been incurred by the assessee," shall be omitted.

(*b*) for clause (*ii*), the following clause shall be substituted, namely:—

"(*ii*) where the assessee is an individual, any expenditure incurred by any dependant of the assessee, and where the assessee is a Hindu undivided family, any expenditure incurred by any dependant from or out of any income or property transferred directly or indirectly to the dependant by the assessee.".

25. **Amendment of section 5.**—In section 5 of the Expenditure-tax Act,—

(*i*) in clause (*e*), for the words "or in the construction, repair, maintenance or improvement of any immovable property belonging to him", the words "or in the construction of any building, or in the repair, maintenance or improvement of a building or part thereof not in the occupation of the assessee or any of his dependants" shall be substituted;

(*ii*) for clause (*f*), the following clause shall be substituted, namely:—

"(*f*) any expenditure incurred by the assessee by way of investment in deposits, loans, shares and securities;";

(*iii*) for clause (*g*), the following clause shall be substituted, namely:—

"(*g*) any expenditure incurred by the assessee in the purchase of products of any cottage industry in India or any work of art, where the price of any such article exceeds rupees one thousand, and any expenditure incurred by the assessee in the purchase of books;".

26. **Amendment of section 6.**—In section 6 of the Expenditure-tax Act, in sub-section (*1*),—

(*i*) in clause (*a*), after sub-clause (*ii*), the following sub-clause shall be inserted, namely:—

"(*iii*) taxes paid to a local authority in respect of any property in the occupation of the assessee or any of his dependants or both;";

(*ii*) in clause (*d*), for the words "on the purchase of furniture and other household goods", the words "on the purchase of bullion, precious stones, jewellery, furniture and other household goods" shall be substituted;

(*iii*) for clause (*h*), the following clause shall be substituted, namely:—

"(*h*) a basic allowance—

(*i*) where the assessee is an individual, of Rs. 30,000 for himself and all his dependants; and

(*ii*) where the assessee is a Hindu undivided family, of Rs. 30,000 in respect of the *karta* and his wife and children, and a further allowance of Rs. 3,000 for every additional coparcener:

Provided that the basic allowance for the Hindu undivided family as a whole shall not exceed Rs. 60,000 in any case:

Provided further that the allowance of Rs. 3,000 for any additional coparcener shall not be allowed where the coparcener is separately assessed under this Act and is entitled to the allowance of Rs. 30,000 under sub-clause (*i*).".

27. Amendment of section 2.—In section 2 of the Gift-tax Act, 1958 (18 of 1958), in clause (*xx*),—

(*i*) in sub-clause (*a*), after the words "in the case of an assessee", the words "having no source of income, profits or gains or" shall be inserted;

(*ii*) after sub-clause (*c*), the following provisos shall be inserted, namely:—

'Provided that where a person who has not been assessed under this Act for any assessment year makes a gift on a date which does not fall within a previous year as defined in sub-clause (*a*) or sub-clause (*b*) or sub-clause (*c*), the previous year shall be the twelve months ending on the 31st day of March immediately preceding the assessment year:

Provided further that where an assessment has been made under this Act for any assessment year in respect of gifts made by an assessee during any previous year, the meaning of the expression "previous year" as then applicable to him shall continue to apply for any subsequent assessment year unless the assessee is allowed to vary it with the consent of the Gift-tax Officer who may, in allowing any such variation, impose such conditions as he may think fit;'.

28. Amendment of Act 32 of 1934.—The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act), shall be amended in the manner specified in the Second Schedule.

29. Amendment of Act 1 of 1949.—In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1959", the figures "1960" shall be substituted.

30. Amendment of Act 1 of 1944.—In the First Schedule to the Central Excises and Salt Act, 1944,—

(*a*) in Item No. 8, for the entry in the third column against sub-item (*2*), the entry "Five rupees and sixty naye paise per cwt." shall be substituted;

(*b*) in Item No. 9,—

(*i*) in sub-item I(5), for the description of goods in the second column, the following shall be substituted, namely:—

"if other than flue-cured and not actually used for the manufacture of (*a*) cigarettes or (*b*) smoking mixtures for pipes and cigarettes or (*c*) biris—

(*i*) stems of tobacco larger than $\frac{1}{4}$ inch in size,

(*ii*) dust of tobacco,

(*iii*) granule ('rawa') of tobacco capable of passing through a sieve made of wire not finer than 24 S.W.G. (0·022 inch diameter) and containing not less than 18 uniform circular or square apertures per linear inch,

(*iv*) tobacco cured in whole leaf form and packed or tied in bundles, hanks or bunches or in the form of twists or coils.

Explanation.—Such varieties of unmanufactured tobacco used in the manufacture of biris as the Central Government, by notification in the Official Gazette, specifies in this behalf shall not be deemed to fall within this sub-item but shall be deemed to be unmanufactured tobacco, not otherwise specified, within the meaning of sub-item (6).";

(*ii*) in sub-item II(2), for the entries in the third column against sub-items (vii), (viii) and (ix), the entries "Three rupees and fifteen naye paise", "Two rupees" and "One rupee and twenty naye paise" shall respectively be substituted;

(*c*) in Item No. 10, for the entry in the third column against sub-item (1), the entry "40 per cent. *ad valorem*" shall be substituted;

(*d*) in Item No. 11, for the entry in the third column, the entry "Eight rupees and seventy-five naye paise per cwt." shall be substituted;

(*e*) in Item No. 12A, for the entry in the third column, the entry "Six naye paise per square yard" shall be substituted;

(*f*) in Item No. 24, for the entry in the third column, the entry "Eighty naye paise per imperial gallon" shall be substituted;

(*g*) in Item No. 25, for the entry in the third column against sub-item (a), the entry "Fifty rupees per ton" shall be substituted.

31. Discontinuance of salt duty.—For the year beginning on the 1st day of April, 1959, no duty under the Central Excises and Salt Act, 1944 (1 of 1944) (32 of 1934), or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

THE FIRST SCHEDULE

(*See* section 2)

PART I

Income-tax and surcharge on income-tax

PARAGRAPH A

(*i*) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

Rates of Income-tax

	Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener
(1) On the first	Rs. 3,000 of total income.	Rs. 3,300 of total income.	Rs. 3,600 of total income.
(2) On the next	2,000 ,,	1,700 ,,	1,400 ,,
(3) On the next	2,500 ,,	2,500 ,,	2,500 ,,
(4) On the next	2,500 ,,	2,500 ,,	2,500 ,,
(5) On the next	2,500 ,,	2,500 ,,	2,500 ,,
(6) On the next	2,500 ,,	2,500 ,,	2,500 ,,
(7) On the next	5,000 ,,	5,000 ,,	5,000 ,,
	Nil	3%	6%
		9%	11%
		14%	18%

(*ii*) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons, not being a case to which Paragraph B or Paragraph C or Paragraph D of this Part applies:—

	Rs.	
(1) On the first	1,000 of total income	*Nil.*
(2) On the next	4,000 ,, ,,	3%
(3) On the next	2,500 ,, ,,	6%
(4) On the next	2,500 ,, ,,	9%
(5) On the next	2,500 ,, ,,	11%
(6) On the next	2,500 ,, ,,	14%
(7) On the next	5,000 ,, ,,	18%
(8) On the balance of total income		25%

Provided that for the purposes of this Paragraph—

(*i*) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(*ii*) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(*iii*) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(*a*) the income-tax which would have been payable if the total income had been Rs. 20,000;

(*b*) half the amount by which the total income exceeds Rs. 20,000;

The limit aforesaid shall be—

(*i*) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(*a*) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(*b*) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(*ii*) Rs. 3,000 in every other case.

Surcharges on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(*a*) A surcharge for purposes of the Union equal to the sum of—

(*i*) five per cent. of the amount of income-tax; and

(*ii*) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;

(*b*) A special surcharge on unearned income at fifteen per cent. of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income:

Provided that—

(*i*) no surcharge for purposes of the Union shall be payable where the total income does not exceed the limit specified below;

(*ii*) no special surcharge on unearned income shall be payable in the case of an assessee whose total income does not include any income from dividend on ordinary shares if his total income does not exceed the limit specified below, and where the total income includes any dividends on ordinary shares, such limit shall be increased by Rs. 1,500 or the amount of the said dividends, whichever is less:

Provided further that—

(*a*) where the total income includes any dividends on ordinary shares, the surcharge for purposes of the Union and the special surcharge on unearned income shall not in each case exceed half the amount by which the total income exceeds the respective limits applicable in either case;

(*b*) the surcharge for purposes of the Union and the special surcharge on unearned income, both together, shall not exceed half the amount by which the total income exceeds the limit specified below;

The limit aforesaid shall be—

(*i*) Rs. 15,000 in the case of every Hindu undivided family which satisfies as at the end of the previous year either of the following conditions, namely:—

(*a*) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(*b*) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(*ii*) Rs. 7,500 in every other case.

Explanation.—For the purposes of this Paragraph, in the case of every Hindu undivided family governed by the *Mitakshara* law, a son shall be deemed to be entitled to claim partition of the coparcenary property against his father, or grand-father notwithstanding any custom to the contrary.

PARAGRAPH B

In the case of every company and local authority,—

Rate of income-tax

On the whole of the total income 30%

Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 5 per cent. thereon.

PARAGRAPH C

In every case in which under the provisions of the Income-tax Act, income-tax is to be charged at the maximum rate,—

Rate of income-tax

On the whole of the total income. 25%

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge of 20 per cent. thereon.

PARAGRAPH D

In the case of every registered firm,—

Rates of Income-tax

(1) On the first Rs. 40,000 of total income	..	*Nil*
(2) On the next Rs. 35,000 of total income	..	5%
(3) On the next Rs. 75,000 of total income	..	6%
(4) On the balance of total income	..	9%

PART II

Super-tax and surcharge on super-tax

PARAGRAPH A

In the case of every individual, Hindu undivided family, unregistered firm and other association of persons, not being a case to which any other Paragraph of this Part applies,—

Rates of super-tax

(1)	On the first Rs. 20,000 of total income ..	*Nil*
(2)	On the next Rs. 5,000 of total income ..	5%
(3)	On the next Rs. 5,000 of total income ..	15%
(4)	On the next Rs. 10,000 of total income ..	20%
(5)	On the next Rs. 10,000 of total income ..	30%
(6)	On the next Rs. 10,000 of total income ..	35%
(7)	On the next Rs. 10,000 of total income ..	40%
(8)	On the balance of total income ..	45%

Surcharges on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

(*a*) A surcharge for purposes of the Union equal to the sum of—

(*i*) five per cent. of the amount of super-tax; and

(*ii*) where the earned income included in the total income exceeds Rs. 1,00,000, five per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;

(*b*) A special surcharge on unearned income at fifteen per cent. of the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any, included in the total income, if such earned income had been the total income.

PARAGRAPH B

In the case of every local authority,—

Rate of super-tax

On the whole of the total income 16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 12½ per cent. thereon.

PARAGRAPH C

In the case of every association of persons being a co-operative society as defined in clause (5*B*) of section 2 of the Income-tax Act,—

Rates of super-tax

(1)	On the first Rs. 25,000 of total income	*Nil*
(2)	On the balance of total income	16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge of 12½ per cent. thereon.

PARAGRAPH D

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

Rate of super-tax

On the whole of its profits and gains from life insurance business. 11%

In the case of every other company,—

Rate of super-tax

On the whole of the total income 50%

Provided that—

(*i*) a rebate at the rate of 40 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 35 per cent. on the balance of the total income shall be allowed in the case of any company which—

(*a*) in respect of its profits liable to tax under the Income-tax Act for the year ending on the 31st day of March, 1960, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such profits and for the deduction of super-tax from dividends in accordance with the provisions of sub-section (*3D*) of section 18 of that Act; and

(*b*) is such a company as is referred to in sub-section (*9*) of section 23A of the Income-tax Act with a total income not exceeding Rs. 25,000;

(*ii*) a rebate at the rate of 40 per cent. on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 30% on the balance of the total income shall be allowed in the case of any company which satisfies condition (*a*) but not condition (*b*) of the preceding clause;

(*iii*) a rebate at the rate of 40% on so much of the total income as consists of dividends from a subsidiary Indian company and a rebate at the rate of 20% on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:

Provided further that—

(*i*) the amount of the rebate under clause (*i*) or clause (*ii*) shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—

(*a*) on that part of the aggregate of the sums arrived at in accordance with clause (*i*) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance Act, 1958 (11 of 1958.) as has not been deemed to have been taken into account, in accordance with clause (*ii*) of the said proviso, for the purpose of reducing the rebate mentioned in clause (*i*) of the said proviso to *nil*.	The whole amount of such part.

(*b*) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital except to the extent to which such bonus shares or bonus have been issued out of premiums received in cash on the issue of its shares ; and — at the rate of 30%

(*c*) in addition, in the case of a company referred to in clause (*ii*) of the preceding proviso which has distributed to its shareholders during the previous year dividends in excess of six per cent. of its paid-up capital, not being dividends payable at a fixed rate—

(A) in the case of a company which is not such as is referred to in sub-section (9) of section 23A of the Income-tax Act—

on that part of the said dividends which exceeds 6 per cent, but does not exceed 10 per cent. of the paid-up capital ; — at the rate of 10%

on that part of the said dividends which exceeds 10 per cent. of the paid-up capital ; — at the rate of 20%

and

(B) in the case of any other company—

on that part of the said dividends which exceeds 6 per cent. but does not exceed 10 per cent. of the paid-up capital ; — at the rate of 10%

on that part of the said dividends which exceeds 10 per cent. but does not exceed 18 per cent. of the paid-up capital ; — at the rate of 20%

on that part of the said dividends which exceeds 18 per cent. of the paid-up capital ; — at the rate of 30%

(*ii*) where the sum arrived at in accordance with clause (*i*) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (*i*) or clause (*ii*), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (*a*), (*b*) and (*c*) of clause (*i*) of this proviso as is sufficient, in that order, to reduce the rebate to *nil* shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand shall not exceed the aggregate of—

(*a*) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand, and

(*b*) half the amount by which its total income exceeds rupees twenty-five thousand.

Explanation.—For the purposes of this Paragraph,—

(*i*) the expression "paid-up capital" means the paid-up capital (other than capital entitled to a dividend at a fixed rate) of the company as on the first day of the previous year relevant to the assessment for the year ending on the 31st day of March, 1960, increased by any premiums received in cash by the company on the issue of its shares, standing to the credit of the share premium account as on the first day of the previous year aforesaid;

(*ii*) the expression "dividend" shall be deemed to include any distribution included in the expression "dividend" as defined in clause (*6A*) of section 2 of the Income-tax Act;

(*iii*) where any portion of the profits and gains of the company is not included in its total income by reason of such portion being exempted from tax under any provision of the Income-tax Act, the

"paid-up capital" of the company, the amount distributed as dividends (not being dividends payable at a fixed rate), the amount representing the face value of any bonus shares and the amount of any bonus issued to the shareholders shall each be deemed to be such proportion thereof as the total income of the company for the previous year bears to its total profits and gains for that year other than capital receipts, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss account for that year.

PART III

Rates for deduction of tax under section 18 of the Income-tax Act at the prescribed rates

In every case in which under the provisions of section 18 of the Income-tax Act tax is to be deducted at the prescribed rates, deduction shall be made from the income subject to deduction at the following rates:—

	Income-tax		Super-tax	
	Rate of Income-tax	Rate of Surcharge	Rate of Super-tax	Rate of Surcharge
1. In the case of a person other than a company—				
(a) in every case, on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free), and	25%	5%		
(b) in addition, where the person is one whom the person responsible for paying the income has no reason to believe to be resident in the taxable territories, on the whole income.			Super-tax and surcharge on super-tax in accordance with the provisions of clause (b) of sub-section (I) of section 17 of the Income-tax Act.	

	Rate of Income-tax.	Rate of Super-tax
2. In the case of a company—		
(a) in every case—		
(i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free) ; and	20%	
(ii) on the whole income (excluding dividends payable by an Indian company referred to in section 56A of the Income-tax Act) ; and		10%

	Rate of Income-tax	Rate of Super tax
(*b*) in addition,—		
(*i*) where the company is an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India, on the whole income (excluding dividends payable by its subsidiary Indian company if any, or by an Indian company referred to in section 56A of the Income-tax Act)		15%
(*ii*) where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India, on the whole income (excluding dividends payable by its subsidiary Indian company, if any, or by an Indian company referred to in section 56A of the Income-tax Act)		33%

THE SECOND SCHEDULE

(*See* section 28)

In the First Schedule to the Tariff Act,—

(*i*) in Item No. 29, for the existing entry in the fourth column, the entry "Rs. 2 per 100 linear feet" shall be substituted;

(*ii*) for Item No. 39(1), the following Items shall be substituted, namely:—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
1	2	3	4	5	6	7
"39(1)	Rubber manufactures, not otherwise specified, excluding apparel	Revenue	35 per cent. *ad valorem.*	..	..	..
39(2)	Rubber tyres and tubes for motor vehicles.	Revenue	40 per cent. *ad valorem.*	..	..	..
39(3)	Rubber tyres and tubes not otherwise specified.	Revenue	35 per cent. *ad valorem.*	..	..	.."

G. R. RAJAGOPAUL, Secy.

THE APPROPRIATION (No. 2) ACT, 1959

No. 11 OF 1959

[28*th April*, 1959]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1959-60.

BE it enacted by Parliament in the Tenth Year of the Republic of India as follows:—

1. *Short title.*—This Act may be called the Appropriation (No. 2) Act, 1959.

2. *Issue of Rs.* 76,16,32,85,000 *out of the Consolidated Fund of India for the year* 1959-60.—From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1959 (7 of 1959),] to the sum of seven thousand six hundred and sixteen crores, thirty-two lakhs and eighty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1959-60 in respect of the services specified in column 2 of the Schedule.

3. *Appropriation.*—The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

80 M. of Fin.—21.

THE SCHEDULE

(*See* sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry .	73,93,000	..	73,93,000
2	Industries	29,69,88,000	..	29,69,88,000
3	Salt	74,26,000	*71,000*	74,97,000
4	Commercial Intelligence and Statistics	81,23,000	..	81,23,000
5	Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry . .	2,79,16,000	..	2,79,16,000
6	Ministry of Community Development and Co-operation	27,40,000	..	27,40,000
7	Community Development Projects, National Extension Service and Co-operation	20,58,44,000	..	20,58,44,000
8	Ministry of Defence	40,28,000	..	40,28,000
9	Defence Services—Effective—Army .	1,74,75,62,000	*10,00,000*	1,74,85,62,000
10	Defence Services—Effective—Navy .	18,40,00,000	*50,000*	18,40,50,000
11	Defence Services—Effective—Air Force	59,79,41,000	*50,000*	59,79,91,000
12	Defence Services—Non-effective Charges	15,31,20,000	*84,09,000*	16,15,29,000
13	Ministry of Education . . .	59,43,000	..	59,43,000
14	Education	31,13,48,000	..	31,13,48,000
15	Miscellaneous Departments and Other Expenditure under the Ministry of Education	2,36,39,000	..	2,36,39,000
16	Tribal Areas	8,70,90,000	..	8,70,90,000
17	Naga Hills-Tuensang Area . .	3,44,33,000	..	3,44,33,000
18	External Affairs	9,76,16,000	..	9,76,16,000
19	State of Pondicherry . . .	2,75,05,000	*14,000*	2,75,19,000
20	Miscellaneous Expenditure under the Ministry of External Affairs . .	4,68,000	..	4,68,000
21	Ministry of Finance	1,48,05,000	..	1,48,05,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
22	Customs	3,96,57,000	*20,000*	3,96,77,000
23	Union Excise Duties	8,09,23,000	*72,39,98,000*	80,49,21,000
24	Taxes on Income including Corporation tax, etc.	5,64,44,000	*1,34,000*	5,65,78,000
25	Opium	3,09,94,000	..	3,09,94,000
26	Stamps	2,78,75,000	*8,32,000*	2,87,07,000
27	Audit	10,58,06,000	*20,56,000*	10,78,62,000
28	Currency	3,90,23,000	*16,31,000*	4,06,54,000
29	Mint	5,88,39,000	..	5,88,39,000
30	Territorial and Political Pensions	25,34,000	..	25,34,000
31	Superannuation Allowances and Pensions	3,76,46,000	*33,00,000*	4,09,46,000
32	Miscellaneous Departments and Other Expenditure under the Ministry of Finance	44,00,23,000	..	44,00,23,000
33	Planning Commission	2,27,86,000	..	2,27,86,000
34	Miscellaneous Adjustments between the Union and State Governments	18,08,000	..	18,08,000
35	Pre-partition Payments	21,92,000	*5,37,000*	27,29,000
	CHARGED.— *Interest on Debt and Other Obligations and Reduction or Avoidance of Debt.*	..	*1,68,21,88,000*	1,68,21,88,000
	CHARGED.— *Grants-in-aid to States*	..	*48,84,10,000*	48,84,10,000
36	Ministry of Food and Agriculture	75,46,000	..	75,46,000
37	Forest	2,59,30,000	..	2,59,30,000
38	Agriculture	10,04,83,000	..	10,04,83,000
39	Agricultural Research	4,93,75,000	..	4,93,75,000
40	Animal Husbandry	2,62,73,000	..	2,62,73,000
41	Miscellaneous Departments and Other Expenditure under the Ministry of Food and Agriculture	11,76,09,000	*4,01,000*	11,80,10,000
42	Ministry of Health	14,09,000	..	14,09,000
43	Medical Services	6,63,09,000	..	6,63,09,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
44	Public Health	16,53,07,000	..	16,53,07,000
45	Miscellaneous Departments and Expenditure under the Ministry of Health	87,93,000	..	87,93,000
46	Ministry of Home Affairs	2,89,89,000	..	2,89,89,000
47	Cabinet	37,33,000	..	37,33,000
48	Zonal Councils	3,69,000	..	3,69,000
49	Administration of Justice	2,49,000	*15,87,000*	18,36,000
50	Police	5,43,43,000	..	5,43,43,000
51	Census	18,51,000	..	18,51,000
52	Statistics	1,89,04,000	..	1,89,04,000
53	Privy Purses and Allowances of Indian Rulers	5,15,000	*5,36,78,000*	5,41,93,000
54	Delhi	10,89,84,000	30,000	10,90,14,000
55	Himachal Pradesh	5,82,91,000	*2,17,000*	5,85,08,000
56	Andaman and Nicobar Islands	3,11,39,000	..	3,11,39,000
57	Manipur	2,33,89,000	..	2,33,89,000
58	Tripura	3,72,62,000	*50,000*	3,73,12,000
59	Laccadive Minicoy and Amindivi Islands	18,83,000	..	18,83,000
60	Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	11,66,04,000	..	11,66,04,000
61	Ministry of Information and Broadcasting	14,37,000	..	14,37,000
62	Broadcasting	4,64,47,000	..	4,64,47,000
63	Miscellaneous Departments and Expenditure under the Ministry of Information and Broadcasting	3,43,51,000	..	3,43,51,000
64	Ministry of Irrigation and Power	24,32,000	..	24,32,000
65	Multi-purpose River Schemes	1,91,37,000	..	1,91,37,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
66	Miscellaneous Departments and Other Expenditure under the Ministry of Irrigation and Power	1,66,37,000	..	1,66,37,000
67	Ministry of Labour and Employment	20,06,000	..	20,06,000
68	Chief Inspector of Mines	21,53,000	..	21,53,000
69	Miscellaneous Departments and other Expenditure under the Ministry of Labour and Employment	10,52,64,000	..	10,52,64,000
70	Ministry of Law	25,85,000	..	25,85,000
71	Elections	90,93,000	..	90,93,000
72	Ministry of Rehabilitation	37,32,000	..	37,32,000
73	Expenditure on Displaced Persons and Minorities	19,69,18,000	..	19,69,18,000
74	Ministry of Scientific Research and Cultural Affairs	29,32,000	..	29,32,000
75	Archaeology	1,07,05,000	..	1,07,05,000
76	Survey of India	1,61,14,000	..	1,61,14,000
77	Botanical Survey	15,35,000	..	15,35,000
78	Zoological Survey	11,35,000	..	11,35,000
79	Scientific Research and Cultural Affairs	13,06,98,000	..	13,06,98,000
80	Miscellaneous Departments and Expenditure under the Ministry of Scientific Research and Cultural Affairs	36,86,000	..	36,86,000
81	Ministry of Steel, Mines and Fuel	40,34,000	..	40,34,000
82	Geological Survey	2,21,05,000	..	2,21,05,000
83	Exploration of Oil and Natural Gas	3,38,55,000	..	3,38,55,000
84	Miscellaneous Departments and Other Expenditure under the Ministry of Steel, Mines and Fuel	27,06,98,000	..	27,06,98,000
85	Ministry of Transport and Communications	54,56,000	..	54,56,000
86	Indian Posts and Telegraphs Department (including working expenses)	66,34,47,000	3,63,01,000	6997,48,000
87	Mercantile Marine	68,94,000	..	68,94,000
88	Light-houses and Light-ships	1,28,87,000	..	1,28,87,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
89	Meteorology	1,62,47,000	..	1,62,47,000
90	Overseas Communications Service .	1,28,54,000	*8,32,000*	1,36,86,000
91	Aviation	7,09,37,000	..	7,09,37,000
92	Central Road Fund . . .	3,88,63,000	..	3,88,63,000
93	Communications (including National Highways)	6,64,37,000	..	6,64,37,000
94	Miscellaneous Departments and Other Expenditure under the Ministry of Transport and Communications .	1,71,17,000	..	1,71,17,000
95	Ministry of Works, Housing and Supply	63,24,000	..	63,24,000
96	Supplies	2,82,75,000	*2,17,000*	2,84,92,000
97	Other Civil Works	26,99,04,000	*28,23,000*	27,27,27,000
98	Stationery and Printing	7,77,42,000	..	7,77,42,000
99	Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply . .	1,18,96,000	..	1,18,96,000
100	Department of Atomic Energy . .	13,25,000	..	13,25,000
101	Atomic Energy Research . .	4,40,70,000	..	4,40,70,000
102	Department of Parliamentary Affairs .	2,32,000	..	2,32,000
103	Lok Sabha	99,99,000	67,000	1,00,66,000
104	Miscellaneous Expenditure under Lok Sabha	34,000	..	34,000
105	Rajya Sabha	33,89,000	*61,000*	34,50,000
	CHARGED.—*Staff, Household and Allowances of the President* . . .	..	*25,19,000*	25,19,000
106	Secretariat of the Vice-President . .	64,000	..	64,000
	CHARGED.—*Union Public Service Commission*	..	*42,64,000*	42,64,000
107	Capital Outlay of the Ministry of Commerce and Industry . . .	16,25,35,000	..	16,25,35,000
108	Capital Outlay of the Ministry of Community Development and Co-operation	3,78,71,000	..	3,78,71,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
109	Defence Capital Outlay . . .	36,90,00,000	*4,00,000*	36,94,00,000
110	Capital Outlay of the Ministry of Education	69,64,000	..	69,64,000
111	Capital Outlay of the Ministry of External Affairs	68,32,000	.. ..	68,32,000
112	Capital Outlay on the India Security Press	11,00,000	..	11,00,000
113	Capital Outlay on Currency and Coinage	1,00,93,43,000	..	1,00,93,43,000
114	Capital Outlay on Mints . . .	48,54,000	..	48,54,000
115	Commuted Value of Pensions . .	45,35,000	*1,00,000*	46,35,000
116	Payments to Retrenched Personnel .	6,000	..	6,000
117	Other Capital Outlay of the Ministry of Finance	64,75,41,000	..	64,75,41,000
118	Loans and Advances by the Central Government	2,11,99,96,000	*3,12,68,99,000*	5,24,68,95,000
	CHARGED—*Repayment of Debt* . .	..	*53,58,67,32,000*	53,58,67,32,000
119	Capital Outlay on Forests . . .	13,97,000	..	13,97,000
120	Purchase of Foodgrains . . .	1,86,34,77,000	*2,00,000*	1,86,36,77,000
121	Other Capital Outlay of the Ministry of Food and Agriculture . .	36,43,55,000	*15,000*	36,43,70,000
122	Capital Outlay of the Ministry of Health	12,47,97,000	..	12,47,97,000
123	Capital Outlay of the Ministry of Home Affairs	81,02,000	..	81,02,000
124	Capital Outlay on Broadcasting . .	2,00,00,000	..	2,00,00,000
125	Capital Outlay on Multi-purpose River Schemes	3,22,98,000	..	3,22,98,000
126	Other Capital Outlay of the Ministry of Irrigation and Power . . .	7,82,11,000	..	7,82,11,000
127	Capital Outlay of the Ministry of Labour and Employment . .	3,49,000	..	3,49,000
128	Capital Outlay of the Ministry of Rehabilitation	20,20,00,000	..	20,20,00,000
129	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs .	2,37,85,000	..	2,37,85,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
130	Capital Outlayof the Ministry of Steel, Mines and Fuel	24,07,20,000	..	24,07,20,000
131	Capital Outlay on Indian Posts and Telegraphs (not met from Revenue)	34,18,41,000	..	34,18,41,000
132	Capital Outlay on Civil Aviation . .	4,33,27,000	*5,00,000*	4,38,27,000
133	Capital Outlay on Ports . . .	3,03,50,000	..	3,03,50,000
134	Capital Outlay on Roads . . .	16,50,00,000	..	16,50,00,000
135	Other Capital Outlay of the Ministry of Transport and Communications .	8,76,10,000	..	8,76,10,000
136	Delhi Capital Outlay . . .	7,32,19,000	*6,86,000*	7,39,05,000
137	Capital Outlay on Buildings . . .	8,22,46,000	*49,000*	8,22,95,000
138	Other Capital Outlay of the Ministry of Works, Housing and Supply .	7,14,97,000	..	7,14,97,000
139	Capital Outlay of the Department of Atomic Energy	5,47,00,000	..	5,47,00,000
	TOTAL . . .	16,43,19,57,000	*59,73,13,28,000*	76,16,32,85,000

G. R. RAJAGOPAUL, Secy.

GMGIPND—DME—80—Fin.

MINISTRY OF FINANCE

(Department of Economic Affairs)

RESOLUTION

New Delhi, the 11th July 1959

No. F.2(41)-B/59.—The annual financial Statement for 1959-60 as presented to the Parliament on 28th February, 1959 is now published in its final form for general information.

2. As a result of modifications in the Finance Bill accepted by the Parliament the revenue will be reduced by Rs. 75,76,000.

3. The Demands for Grants for the year 1959-60 were voted without modifications.

4. The deficit on revenue account will thus stand at Rs. 59,07,62,000.

GOVERNMENT OF INDIA

BUDGET

of the

CENTRL GOVERNMENT

for

1959-60

(As finally adopted)

MINISTRY OF FINANCE;
New Delhi, 11th July 1959.

A. K. ROY
Secretary to the Government of India.

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I.—GENERAL STATEMENT OF THE REVENUE AND EXPENDITURE

(In thousands of Rupees)

	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA.					
REVENUE—					
Principal Heads of Revenue—					
Customs	A	1,79,99,43	1,70,00,00	1,36,00,00	1,30,00,00 + 2,77,00*
Union Excise Duties	,,	2,73,62,28	3,04,76,00	3,01,15,00	3,07,00,00 + 17,32,24*
Corporation Tax	,,	56,13,16	55,50,00	56,00,00	58,75,00
Taxes on Income other than Corporation Tax	,,	90,26,84	84,53,00	86,70,00	87,63,00
Estate Duty	,,	—9,40	12,00	12,19	13,75
Taxes on Wealth	,,	7,03,58	12,50,00	10,00,00	10,50,00 + 2,50,00*
Taxes on Railway Fares	,,	—73,45	7,00	10,73	10,73
Expenditure Tax	,,	..	3,00,00	1,00,00	1,00,00
Gift Tax	,,	..	2,00,00	1,20,00	1,20,00
Opium	,,	2,87,47	2,87,00	3,31,00	3,92,00
Other Heads	,,	11,63,42	10,39,65	13,50,35	13,89,60
TOTAL—PRINCIPAL HEADS		6,20,73,33	6,45,74,65	6,09,09,27	6,14,14,08 + 22,59 24*
Contributions from Railways	,,	6,29,31	7,04,46	6,40,44	5,97,81
Irrigation: Net Receipts	,,	16	66	14	15
Posts and Telegraphs: (Net) (*a*)	,,	3,70,82	2,34,00	5,38,36	4,19,52
Debt Services	,,	6,17,86	6,60,45	8,35,76	10,75,23
Civil Administration	,,	41,07,82	44,24,05	45,62,76	35,79,77
Currency and Mint	,,	33,26,81	36,62,26	34,76,52	55,60,32
Civil Works and Miscellaneous Public Improvements	,,	2,51,27	2,86,01	2,88,41	2,98,34
Electricity Schemes	,,	55	1,38	—1,61	2,36
Miscellaneous	,,	11,94,20	8,44,25	14,63,57	12,83,,63
Contributions and Miscellaneous Adjustments between Union and State Governments	,,	6,23	6,23	6,23	6,23
Extraordinary Items	,,	2,33	14,00,45	1,00,52	15,13,52
TOTAL—REVENUE		7,25,80,69	7,67,98,85	7,28,20,37	7,57,50,96 + 22,59,24
EXCESS OF EXPENDITURE OVER REVENUE OR DEFICIT		..	28,01,67	59,94,50	59,07,62
TOTAL		7,25,80,69	7,96,00,52	7,88,14,87	8,39,17,82

(*a*) Figures shown net; the expenditure shown in Statement B has been taken in reduction of the receipts shown in Statement A.

Note:—The accounts for 1957-58 have not been finally closed and the actuals given here are only provisional.

*Effect of Finance Act.

MET FROM REVENUE OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
EXPENDITURE—					
Direct Demands on the Revenue . .	B	61,76,81	94,45,63	99,62,60	1,01,65,34
Irrigation . .	,,	11,16	12,97	16,21	15,41
Debt Services . .	,,	42,08,46	40,00,00	42,06,00	57,88,35
Civil Administration .	,,	1,67,99,96	2,00,43,95	1,97,71,48	2,22,72,53
Currency and Mint .	,,	7,23,47	8,49,64	9,14,10	9,82,43
Civil Works and Miscellaneous Public Improvements .	,,	17,11,84	18,65,74	18,28,00	19,30,15
Electricity Schemes .	,,	3,51	4,95	3,92	5,15
Miscellaneous . .	,,	73,27,00	80,20,79	92,09,20	1,00,62,40
Defence Services(*a*) .	,,	2,56,71,97	2,78,13,64	2,66,87,21	2,42,67,99
Contributions and Miscellaneous Adjustments between Union and State Governments .	,,	45,90,22	47,03,36	46,94,77	49,02,18
Extraordinary Items .	,,	11,50,84	28,39,85	15,21,38	35,25,89
TOTAL—EXPENDITURE MET FROM REVENUE . .		6,83,75,24	7,96,00,52	7,88,14,87	8,39,17,82
EXCESS OF REVENUE OVER EXPENDITURE OR SURPLUS		42,05,45	..	..	..
TOTAL . . .		7,25,80,69	7,96,00,52	7,88,14,87	8,39,17,82

(*a*) Figures shown net; the receipts shown in Statement A have been deducted from the expenditure shown in Statement B.

II.—GENERAL STATEMENT OF THE RECEIPTS

(In thousands of Rupees)

RECEIPTS	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
Revenue Surplus (as shown in Part (I)		42,05,45	..	..	..
Capital Accounts outside the Revenue Account	C	..	..	..	..
Permanent Debt (net)	,,	94,60,86	4,03,25,75	7,12,45,59	3,98,92,73
Floating Debt (net)	,,	4,54,62,75	2,01,57,00	..	3,28,81,00
Loans and Advances by the Central Government (net)	,,	..	..	..	..
Inter-State Settlement (net)	,,	..	..	..	..
TOTAL I—CONSOLIDATED FUND OF INDIA		5,91,29,06	6,04,82,75	7,12,45,59	7,27,73,73
II—CONTINGENCY FUND OF INDIA	C	..	..	2,00,18	..
III.—PUBLIC ACCOUNT					
Unfunded Debt (net)	,,	89,26,98	1,18,02,76	91,83,48	1,05,38,09
Depreciation and other Reserve Funds (net)	,,	..	..	..	..
Appropriation for Reduction or Avoidance of Debt (net)	,,	5,00,00	5,00,00	5,00,00	5,00,00
Other Deposits and Advances (net)	,,	..	86,32,87	45,45,73	1,00,61,02
Remittances (net)	,,	28,24,75	..	81,12	89,16
Transfer of Cash between England and India (net)	,,	16,56,93	..	..	..
TOTAL III—PUBLIC ACCOUNT	,,	1,39,08,66	2,09,35,63	1,43,10,33	2,11,88,27
TOTAL RECEIPTS		7,30,37,72	8,14,18,38	8,57,56,10	9,39,62,00
OPENING BALANCE.	C	50,95,81	50,55,14	51,80,61	50,11,93
TOTAL		7,81,33,53	8,64,73,52	9,09,36,71	9,89,73,93

AND DISBURSEMENTS OF THE CENTRAL GOVERNMENT

(In thousands of Rupees)

DISBURSEMENTS	For details, *vide* Statement	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA					
Revenue Deficit (as shown in Part I) .	C	..	28,01,67	59,94,50	59,07,62
Capital Accounts not met from Revenue . .	,,	4,31,55,99	4,91,34,62	4,14,17,51	4,77,52,75
Permanent Debt (net) .	,,	..	..	..	..
Floating Debt (net) .	,,	..	..	23,37,00	..
Loans and Advances by the Central Government (net)	,,	2,59,62,74	2,60,23,98	3,21,78,98	3,86,74,57
Inter-State Settlement (net)	,,	1,45,00	12,00	8,07	5
TOTAL I.—CONSOLIDATED FUND OF INDIA . .		6,92,63,73	7,79,72,27	8,19,36,06	9,23,34,99
II.—CONTINGENCY FUND OF INDIA .	C	2,00,18	..	..	..
III.—PUBLIC ACCOUNT					
Unfunded Debt (net) .	C	..	..	..	..
Depreciation and other Reserve Funds (net) .	,,	23,31,18	28,67,24	39,88,72	16,46,37
Appropriation for Reduction or Avoidance of Debt (net) . . .	,,	..	..	..	..
Other Deposits and Advances (net) . .	,,	11,57,83	..	..	..
Remittances (net) . .	,,	..	1,12,58	..	..
Transfer of Cash between England and India (net)	,,	..	..	..	..
TOTAL III.—PUBLIC ACCOUNT. .		34,89,01	29,79,82	39,88,72	16,46,37
TOTAL—DISBURSEMENTS		7,29,52,92	8,09,52,09	8,59,24,78	9,39,81,36
CLOSING BALANCE .	C	51,80,61	55,21,43	50,11,93	49,92,57
TOTAL . .		7,81,33,53	8,64,73,52	9,09,36,71	9,89,73,93

A.—Statement of the Revenue of the Central Government

(In thousands of Rupees)

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised 1958-59
I.—CONSOLIDATED FUND OF INDIA						
PRINCIPAL HEADS OF REVENUE—						
I.—Customs	1,79,99,43	1,70,00,00	1,36,00,00	—34,00,00	1,32,77,00	—3,23,00
II.—Union Excise Duties	2,73,62,28	3,04,76,00	3,01,15,00	—3,61,00	3,24,32,24	+23,17,24
III.—Corporation Tax	56,13,16	55,50,00	56,00,00	+50,00	58,75,00	+2,75,00
IV.—Taxes on Income other than Corporation Tax	90,26,84	84,53,00	86,70,00	+2,17,00	87,63,00	+93,00
V.—Estate Duty	—9,40	12,00	12,19	+19	13,75	+1,56
V-A.—Taxes on Wealth	7,03,58	12,50,00	10,00,00	—2,50,00	13,00,00	+3,00,00
V-B.—Taxes on Railway Fares	—73,45	7,00	10,73	+3,73	10,73	..
V-C.-Expenditure Tax	..	3,00,00	1,00,00	—2,00,00	1,00,00	..
V-D.—Gift Tax	..	2,00,00	1,20,00	—80,00	1,20,00	..
VI.—Opium	2,87,47	2,87,00	3,31,00	+44,00	3,92,00	+61,00
VII.—Land Revenue	34,78	52,09	56,68	+4,59	54,48	—2,20
VIII.—State Excise Duties	1,86,65	1,66,40	1,62,23	—4,17	1,56,10	—6,13
IX.—Stamps	3,20,53	2,93,17	3,33,38	+40,21	3,39,97	+6,59
X.—Forest	2,32,99	2,56,59	2,65,46	+8,87	2,77,91	+12,45
XI.—Registration	9,98	8,49	11,27	+2,78	11,28	+1
XII.—Taxes on Vehicles	36,63	33,94	39,20	+5,26	41,70	+2,50
XII.-A.—Sales Tax	2,29	1,79,76	3,13,51	+1,33,75	3,33,26	+19,75
XIII.—Other Taxes and Duties	3,39,57	49,21	1,68,62	+1,19,41	1,74,90	+6,28
TOTAL	6,20 73,33	6,45, 4,65	6,09,09,27	—36,65,38	6,36,73,32	+27,64,05
IRRIGATION—						
XVII.—Irrigation, Navigation, Embankment and Drainage Works (Commercial)	1	50	..	—50	..	..
Deduct—Working Expenses	..	..	..	..	..	..
Net Receipts	1	50	..	—50	..	..
XVIII.—Irrigation, Navigation, Embankment Drainage Works (Non-Commercial)	15	16	14	—2	15	+1
TOTAL	16	66	14	—52	15	+1
POSTS AND TELEGRAPHS—						
XIX.—Posts and Telegraphs—Gross receipts	61,62,91	63,64,00	66,36,00	+2,72,00	69,24,00	+2,88,00
Deduct—Working Expenses	*55,17,88*	*58,15 84*	*57,81,17*	*+34,67*	*61,43,36*	*—3,62,19*
Net Receipts	6,45,03	5,48,16	8,54,83	+3,06,67	7,80,64	—74,19
DEBT SERVICES—						
XX.—Interest	6,17,86	6,60,45	8,35,76	+1,75,31	10,75,23	+2,39,47
Carried over	6,33,36,38	6,57,83,92	6,26,00,00	—31,83,92	6,55,29,34	+29,29,34

A.—Statement of the Revenue of the Central Government—*contd.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised 1958-59
I.—CONSOLIDATED FUND OF INDIA—*(contd.)*						
Brought forward	6,33,36,38	6,57,83,92	6,26,00,00	—31,83,92	6,55,29,34	+29,29,34
CIVIL ADMINISTRATION						
XXI.—Administration of Justice	11,62	10,31	12,76	+2,45	12,81	+5
XXII.—Jails	1,28	1,15	1,24	+9	1,27	+3
XXIII.—Police	59,37	35,06	51,13	+16,07	62,62	+11,49
XXIV.—Ports and Pilotage	22,15	41,40	32,01	—9,39	32,04	+3
XXIV-A.—Mercantile Marine	..	8,74	7,57	—1,17	7,59	+2
XXV.—Lighthouses and Lightships	46,21	48,34	49,55	+1,21	48,19	—1,36
XXVI.—Education	68,66	32,26	68,95	+36,69	35,02	—33,93
XXVII.—Medical	39,07	29,28	26,41	—2,87	28,49	+2,08
XXVIII.—Public Health	22,50	22,08	15,34	—6,74	13,78	—1,56
XXIX.—Agriculture	1,16,74	79,40	75,78	—3,62	61,74	—14,04
XXIX-A.—Rural Development	..	..	..	..	..	..
XXX.—Animal Husbandry	15,93	17,79	21,93	+4,14	22,71	+78
XXXI.—Co-operation	8,50	1,54	7,43	+5,89	5,31	—2,12
XXXII.—Industries and Supplies	31,14,30	34,80,42	35,14,34	+33,92	26,48,06	—8,66,28
XXXIII.—Aviation	91,71	89,95	1,01,79	+11,84	93,20	—8,59
XXXIV.—Broadcasting	1,70,80	1,77,88	2,03,88	+26,00	2,12,35	+8,47
XXXVI.—Miscellaneous Departments	3,18,98	3,48,45	3,72,65	+24,20	2,94,59	—78,06
TOTAL	41,07,82	44,24,05	45,62,76	+1,38,71	35,79,77	—9,82,99
CURRENCY AND MINT—						
XXXVII.—Currency	32,75,65	32,36,95	31,77,17	—59,78	42,09,18	+10,32,01
XXXVIII.—Mint.	51,16	4,25,31	2,99,35	—1,25,96	13,51,14	+10,51,79
TOTAL	33,26,81	36,62,26	34,76,52	—1,85,74	55,60,32	+20,83,80
CIVIL WORKS, ETC.—						
XXXIX.—Civil Works	2,50,14	2,84,43	2,86,54	+2,11	2,96,70	+10,16
XL.-A.—Receipts from Multi-purpose River Schemes	1,13	1,58	1,87	+29	1,64	—23
TOTAL	2,51,27	2,86,01	2,88,41	+2,40	2,98,34	+9,93
ELECTRICITY SCHEMES—						
XLI.—Receipts from Electricity Schemes—						
Gross Receipts	8,48	9,75	9,83	+8	13,95	+4,12
Deduct— Working Expenses	7,93	8,37	11,44	—3,07	11,59	—15
Net Receipts	55	1,38	—1,61	—2,99	2,36	+3,97
Carried over	7,10,22,83	7,41,57,62	7,09,26,08	—32,31,54	7,49,70,13	40,44,05

A.—Statement of the Revenue of the Central Government—*concld.*

(In thousands of Rupees)

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward	7,10,22,83	7,41,57,62	7,09,26,08	—32,31,54	7,49,70,13	40,44,05
MISCELLANEOUS—						
XLIV.—Receipts in aid of Superannuation	64,24	72,80	84,73	+11,93	57,91	—26,82
XLV.—Stationery and Printing	17,94	29,08	29,91	+83	30,08	+17
XLV-A.—Contributions from Railways	6,29,31	7,04,46	6,40,44	—64,02	5,97,81	—42,63
XLVI.—Miscellaneous.	11,10,72	7,46,54	13,39,82	+5,93,28	11,87,97	—1,51,85
XLVI-A.—Receipts from Road and Water Transport Schemes—Gross Receipts	66,40	57,31	73,46	+16,15	76,00	+2,54
Deduct—Working Expenses	65,10	61,48	64,35	—2,877	68,33	—3,89
Net Receipts	1,30	—4,17	9,11	+13,28	7,67	—1,44
TOTAL	18,23,51	15,48,71	21,04,01	+5,55,30	18,81,44	—2,22,57
DEFENCE SERVICES—						
XLVII.—Defence Receipts—Effective	17,14,82	13,56,36	15,19,28	+1,62,92	20,16,16	+4,96,88
XLVIII.—Defence Receipts—Non-effective	15,92	8,98	46,10	+37,12	13,25	—32,85
TOTAL	17,30,74	13,65,34	15,65,38	+2,00,04	20,29,41	+4,64,03
CONTRIBUTIONS AND MISCELLANEOUS— ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS—						
L.—Miscellaneous Adjustments between Union and State Governments	6,23	6,23	6,23	..	6,23	..
EXTRAORDINARY ITEMS—						
LI.—Extraordinary Receipts	2	14,00,00	1,00,00	—13,00,00	15,13,00	+14,13,00
LI-A.—Receipts on account of Community Development Projects, National Extension Service and Local Development Works	48	45	52	+7	52	..
LII-B.—Civil Defence	1,83	..	..	..	..	..
LII-C.—Pre-partition Receipts	..	..	..	..	..	..
TOTAL	2,33	14,00,45	1,00,52	—12,99,93	15,13,52	+14,13,00
RAILWAY REVENUE AS PER RAILWAY BUDGET	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58	+15,52,31
TOTAL—REVENUE	8,16,39,65	8,78,81,73	8,24,82,49	—53,99,24	8,97,33,31	+72,50,82
Excess of Expenditure over Revenue or Deficit	..	28,01,67	59,94,50	..	59,07,62	..

B.—Statement of the Expenditure met from Revenue of the Central Government

[In thousands of Rupees]

Heads of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA						
DIRECT DEMANDS ON THE REVENUE—						
1.—Customs	3,06,84	4,16,26	3,85,34	—30,92	3,96,77	+11,43
2.—Union Excise Duties	45,83,46	74,64,66	78,65,16	+4,00,50	78,44,55	—20,61
3.—Corporation Tax		1,30,95	1,22,59	—8,36	1,34,68	+12,09
4.—Taxes on Income other than Corporation Tax	4,65,24	3,80,48	3,55,50	+24,98	3,81,12	+25,62
5.—Estate Duty		9,93	9,86	—7	11,08	+1,22
5-A.—Taxes on Wealth		13,60	22,37	+8,77	24,09	+1,72
5-B.—Taxes on Railway fares	..	4,73	8,00	+3,27	8,00	..
5-C.—Expenditure Tax	..	3,00	2,19	—81	2,29	+10
5-D.—Gift Tax	..		4,38	+4,38	4,58	+20
6.—Opium	1,98,04	2,42,18	2,70,23	+28,05	3,09,94	+39,71
7.—Land Revenue	39,88	42,18	41,14	—1,04	51,03	+9,89
8.—State Excise Duties	44,22	49,18	49,88	+70	50,21	+33
9.—Stamps	2,02,27	2,38,63	2,60,30	+21,67	2,83,07	+22,77
10.—Forest	3,01,40	4,08,14	3,83,87	—24,27	4,73,05	+89,18
11.—Registration	1,60	1,89	2,10	+21	2,38	+28
12.—Taxes on Vehicles	22,08	26,17	27,23	+1,06	29,02	+1,79
12-A.—Sales Tax	..	10,19	9,66	—53	10,00	+34
13.—Other Taxes and Duties	11,78	3,46	1,42,80	+1,39,34	1,49,48	+6,68
TOTAL	61,76,81	94,45,63	99,62,60	+5,16,97	1,01,65,34	+2,02,74
REVENUE ACCOUNT OF IRRIGATION WORKS—						
17.—Irrigation, Navigation, Embankment and Drainage Works (Commercial)	..	..				
18.—Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	11,16	12,97	16,21	+3,24	15,41	—80
TOTAL	11,16	12,97	16,21	+3,24	15,41	—80
POSTS AND TELEGRAPHS REVENUE ACCOUNT—						
20.—Posts and Telegraphs —Interest on Debt	2,74,21	3,14,16	3,16,47	+2,31	3,61,12	+44,65
Carried over	64,62,18	97,72,76	1,02,95,28	+5,22,52	1,05,41,87	+2,46,59

B. Statement of the Expenditure met from Revenue of the Central Government—*contd.*

In thousands of Rupees]]

Heads of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward . .	64,62,18	97,72,76	1,02,95,28	+5,22,52	1,05,41,87	+2,46,59
DEBT SERVICES—						
22.—Interest on Debt and other Obligations . . .	1,17,75,38	1,34,42,93	1,35,92,93	+1,50,00	1,63,21,88	+27,28,95
Deduct—Interest transferred to—						
Railways . . .	*38,10,62*	*42,53,93*	*43,62,31*	—1,08,38	*48,42,90*	—4,80,59
Irrigation . .	..	..				
Posts and Telegraphs	*2,78,49*	*3,17,16*	*3,18,15*	—99	*3,62,81*	—44,66
State Governments .	*34,98,80*	*50,09,63*	*48,36,00*	+1,73,63	*54,21,00*	—5,85,00
Other heads .	*4,79,01*	*3,62,21*	*3,70,47*	—8,26	*4,06,82*	—36,35
TOTAL TRANSFERS .	*80,66,92*	*99,42,93*	*98,86,93*	+56,00	*1,10,33,53*	—11,46,60
Net . . .	37,08,46	35,00,00	37,06,00	+2,06,00	52,88,35	+15,82,35
23.—Appropriation for Reduction or Avoidance of Debt . . .	5,00,00	5,00,00	5,00,00	..	5,00,00	..
TOTAL . .	42,08,46	40,00,00	42,06,00	+2,06,00	57,88,35	+15,82,35
CIVIL ADMINISTRATION—						
25.—General Administration	14,74,06	16,34,27	16,20,21	—14,06	16,12,97	—7,24
26.—Audit . . .	6,47,39	7,25,77	7,18,17	—7,60	7,64,78	+46,61
27.—Administration of Justice . . .	38,60	42,17	43,79	+162	44,09	+30
28.—Jails . . .	12,80	14,06	13,72	—34	14,38	+66
29.—Police . . .	7,81,56	8,26,37	8,25,36	—1,01	8,91,41	+66,05
30.—Ports and Pilotage .	79,03	46,08	38,48	—7,60	44,35	+5,87
30-A.—Mercantile Marine	..	61,29	59,88	—1,41	67,93	+8,05
31.—Lighthouses and Light ships . . .	16,74	48,34	49,55	+1,21	48,19	—1,36
34.—Trial Areas . .	5,46,47	9,40,92	10,78,67	+1,37,75	11,31,23	+52,56
35.—External Affairs .	6,99,65	7,49,61	7,49,93	+32	8,37,15	+87,22
36.—Scientific Departments	13,23,29	17,79,14	17,09,38	—69,76	23,26,76	+6,17,38
37.—Education . .	20,97,78	29,63,20	28,22,96	—1,40,24	38,12,32	+9,89,36
38.—Medical . . .	4,52,19	6,14,71	5,55,36	—59,35	6,92,43	+1,37,07
39.—Public Health . .	8,69,39	9,88,11	9,65,01	—23,10	10,00,29	+35,28
40.—Agriculture .	10,60,71	13,87,18	13,53,63	—33,55	14,18,04	+64,41
40.-A.—Rural Development	71,67	85,16	87,16	+2,00	1,09,00	+21,84
41.—Animal Husbandry .	94,93	1,52,90	1,35,74	—17,16	2,52,72	+1,16,98
42.—Co-operation . .	98,62	1,39,35	2,19,82	+80,47	2,82,94	+63,12
43.—Industries and Supplies	47,05,14	46,15,71	45,08,78	—1,06,93	44,80,28	—28,50
44.—Aviation . . .	2,88,63	3,24,88	3,32,26	+7,38	3,59,73	+27,47
45.—Broadcasting . .	3,45,53	3,73,50	3,86,78	+13,28	4,14,47	+27,69
47.—Miscellaneous Departments . . .	10,95,78	15,31,23	14,96,84	—34,39	16,67,07	+1,70,23
TOTAL . .	1,67,99,96	2,00,43,95	1,97,71,48	—2,72,47	2,22,72,53	+25,01,05
Carried over . .	2,74,70,60	3,38,16,71	3,42,72,76	+4,56,05	3,86,02,75	+43,29,99

B.—Statement of the Expenditure met from Revenue of the Central Government—*contd.*

[In thousands of Rupees]

Heads of Expenditure	Accounts 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd*).						
Brought forward .	2,74,70,60	3,38,16,71	3,42,72,76	+4,56,05	3,86,02,75	+43,29,99
CURRENCY AND MINT—						
48.—Currency . .	3,40,40	3,72,87	3,41,03	—31,84	3,94,34	+53,31
49.—Mint . .	3,83,07	4,76,77	5,73,07	+96,30	5,88,09	+15,02
TOTAL .	7,23,47	8,49,64	9,14,10	+64,46	9,82,43	+68,33
CIVIL WORKS, ETC.—						
50.—Civil works .	16,87,59	17,75,51	17,48,95	—26,56	18,29,16	+80,21
51-B.—Other Revenue Expenditure connected with Multi-purpose River Schemes . .	24,25	90,23	79,05	—11,18	1,00,99	+21,94
TOTAL .	17,11,84	18,65,74	18,28,00	—37,74	19,30,15	+1,02,15
ELECTRICITY SCHEMES—						
52-A.—Other Revenue Expenditure connected with Electricity Schemes .	3,51	4,95	3,92	—1,03	5,15	+1,23
MISCELLANEOUS—						
54.—Famine . .	1,73	25	4,00	+3,75	50	—3,50
54-A.—Territorial and Political Pensions .	21,60	22,09	21,20	—89	25,34	+4,14
54-B.—Privy Purses and Allowance of Indian Rulers .	5,44,61	5,46,75	5,47,40	+65	5,41,93	—5,47
55.—Superannuation Allowance and Pensions . .	3,57,42	3,71,27	3,83,94	+12,67	3,96,11	+12,17
56.—Stationery and Printing . .	2,98,48	2,56,32	2,94,42	+38,10	2,65,81	—28,61
57.—Miscellaneous .	61,03,16	68,24,11	79,58,24	+11,34,13	88,32,71	+8,74,47
TOTAL .	73,27,00	80,20,79	92,09,20	+11,88,41	1,00,62,40	+8,53,20
DEFENCE SERVICES—						
58.—Defence Services Effective—Army .	1,72,97,88	1,72,04,36	1,67,64,26	—4,40,10	1,68,65,30	+1,01,04
59.—Defence Services Effective—Navy .	14,13,06	16,61,98	16,61,98	..	18,36,90	+1,74,92
60.—Defence Services Effective—Air Force	72,74,69	88,54,65	83,77,98	—4,76,67	59,79,91	—23,98,07
60-A.—Defence Services—Non-Effective	14,17,08	14,57,99	14,48,37	—9,62	16,15,29	+1,66,92
TOTAL .	2,74,02,71	2,91,78,98	2,82,52,59	—9,26,39	2,62,97,40	—19,55,19
Carried over .	6,46,39,13	7,37,36,81	7,44,80,56	+7,43,76	7,78,80,28	+33,99,71

B.—Statement of the Expenditure met from Revenue of the Central Government—*concld.*

[In thousands of Rupees]

Heads of Fxpenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60	Increase (+) Decrease(—) as compared with Revised, 1958-59
I.—CONSOLIDATED FUND OF INDIA—(*contd.*)						
Brought forward. .	6,46,39,13	7,37,36,81	7,44,80,57	+7,43,76	7,78,80,28	+33,99,71
CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN UNION AND STATE GOVERNMENTS—						
61.—Grants-in-aid to States . . .	45,84,92	46,96,70	46,85,07	—11,63	48,84,10	+1,99,03
62.—Miscellaneous Adjustments between Union and State Governments .	5,30	6,66	9,70	+3,04	18,08	+8,38
TOTAL .	45,90,22	47,03,36	46,94,77	—8,59	49,02,18	+2,07,41
EXTRAORDINARY ITEMS—						
63.—Extraordinary Charges . .	..	14,00,00	1,00,00	—13,00,00	15,00,00	+14,00,00
63. B.—Community Development Projects, National Extension Service and Local Development Works . . .	10,86,38	14,01,64	13,80,64	—21,00	19,97,66	+6,17,02
64. B.—Civil Defence	87	94	94	..	94	..
64. C.—Pre-partition Payments . .	63,59	37,27	39,80	+2,53	27,29	—12,51
TOTAL .	11,50,84	28,39,85	15,21,38	—13,18,47	35,25,89	+20,04,51
RAILWAY EXPENDITURE AS PER RAILWAY BUDGET . . .	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58	+15,52,31
TOTAL—EXPENDITURE MET FROM REVENUE .	7,74,34,20	9,06,83,40	8,84,76,99	—22,06,41	9,56,40,93	+71,63,94
Excess of Revenue over Expenditure or Surplus	42,05,45	..			..	

C.—Statement of the Receipts and Disbursements of the Central Government

[In thousands of Rupees]

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA				
Excess of Revenue over Expenditure (from Statement B)	42,05,45	..	..	..
CAPITAL ACCOUNTS OUTSIDE THE REVENUE ACCOUNT—				
LIV.—Sale proceeds of American and Lease-Lend surpluses	..	..	..	..
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT—				
New Loan	..	1,45,00,00	..	2,25,00,00
3½ per cent Bonds, 1963	..	..	58,55,92	..
3¾ per cent National Plan Bonds—Fifth Series (3¾ per cent, 1968)	..	..	34,33,90	..
4 per cent Loan, 1973	..	..	3,49,51,44	..
3½ per cent Loan, 1968	..	..	30,00,00	..
3½ per cent National Plan Bonds-Third Series (3½ per cent, 1967)	..	..	30,00,00	..
15-Year Annuity Certificates	65,23	1,65,00	77,00	1,20,00
Other Loans	1,36,16,57	..	..	..
TOTAL	1,36,81,80	1,46,65,00	5,03,18,26	2,26,20,00
II.—FLOATING DEBT—				
Treasury Bills	42,36,64,75	52,71,36,00	47,79,32,75	54,65,20,00
Other Floating Loans	..	..	..	95,24,00
TOTAL	42,36,64,75	52,71,36,00	47,79,32,75	55,60,44,00
B.—Debt raised in England	..	..	30,67,00	40,66,00
C.—Other Debt	32,47,10	2,84,76,14	2,07,69,00	2,59,11,00
TOTAL—PUBLIC DEBT	44,05,93,65	57,02,77,14	55,20,87,01	60,86,42,00
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments	61,40,32	62,21,84	78,96,03	95,36,86
Other Loans and Advances	13,27,91	12,46,66	15,57,11	15,32,48
TOTAL	7 4,68,23	74,68,50	94,53,14	1,10,69,34
INTER-STATE SETTLEMENT.—				
India and Burma	..	..	..	..
Centre and Mysore	..	..	..	..
Centre and Kerala	..	..	..	..
Centre and Madras	..	..	..	..
Centre and Bombay	..	..	3,97	..
TOTAL	..	..	3,97	..
TOTAL—I.—CONSOLIDATED FUND OF INDIA—RECEIPTS	45,22,67,33	57,77,45,64	56,15,41,12	61,97,10,34

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Esimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA—*contd.*				
Excess of Expenditure over Revenue (from Statement A) . . .	..	28,01,67	59,94,50	59,07,62
CAPITAL ACCOUNTS NOT MET FROM REVENUE—				
Railway Capital (as shown in Railway Budget) . . .	1,51,89,63	1,38,83,59	1,20,88,41	1,21,81,34
Posts & Telegraphs . . .	10,82,84	10,82,00	11,16,56	15,44,49
Forest	9,29	9,51	9,00	13,97
Security Printing Press . .	1,62	11,07	5,43	11,00
Irrigation	13,68	19,46	18,04	14,01
Agricultural Improvement and Research	84,93	1,78,70	75,13	4,93,47
Industrial Development . .	1,47,57,31	1,93,08,89	1,88,65,70	54,28,16
Civil Aviation . . .	2,55,31	3,28,67	2,23,81	4,38,27
Broadcasting	36,73	1,15,00	80,00	1,05,00
Ports	1,74,95	3,92,57	2,35,34	2,42,53
Currency and Coinage . .	14,47	69,14	3,58,00	98,62,71
Mint	28,38	46,20	49,45	48,54
Delhi Capital Outlay. . .	3,85,43	6,44,70	6,94,70	7,39,05
Multi-purpose River Schemes .	3,28,18	4,22,00	3,42,00	3,22,98
Civil Works	14,17,14	15,27,80	17,27,80	18,37,95
Electricity Schemes . . .	29,64	53,97	38,75	84,95
Capital Outlay on Other Works	70,70	1,49,80	1,14,00	1,48,64
Road and Water Transport Schemes	12,00	15,00	15,00	16,50
Capital Outlay on Shipping Tankers, etc.	41,09	58,50	..	78,30
Dandakaranya Development Scheme.	4,95	2,99,75	1,23,72	5,72,50
Payments of Commuted Value of Pensions	—5,17	—33,01	—37,84	—36,16
Capital Outlay on Sterling Pensions	—9,35,44	—24,88,76	—38,22,10	—3,58,98
Compensation to Displaced Persons	12,60,61	13,33,31	6,06,31	4,54,61
Payments to Retrenched Personnel	—55	—15	—12	—7
Transfer of Development assistance from the Government of U.S.A.	12,03,99	78,47,18	18,77,83	57,38,81
Defence Capital Outlay . .	22,93,22	27,00,00	27,90,00	32,74,00
Schemes of Government Trading	46,56,01	2,90,56	29,02,80	32,03,68
Grants for Development . .	7,45,05	8,69,17	9,19,79	12,92,50
TOTAL .	4,31,55,99	4,91,34,62	4,14,17,51	4,77,52,75
PUBLIC DEBT—				
A.—Debt raised in India—				
I.—PERMANENT DEBT—				
15-Year Annuity Certificates .	8,31	15,00	12,00	20,00
Other Loans	67,38,81	20,00,00	21,50,00	1,17,47,00
CARRIED OVER . . .	67,47,12	20,15,00	21,62,00	1,17,67,00
CARRIED OVER . .	4,31 55,99	5,19,36,29	4,74,12,01	5,36,60,37

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
I.—CONSOLIDATED FUND OF INDIA—*concld.*				
Brought forward . .	4,31,55,99	5,19,36,29	4,74,12,01	5,36,60,37
Brought forward . .	67,47,12	20,15,00	21,62,00	1,17,67,00
II.—FLOATING DEBT—				
Treasury Bills	37,77,22,00	50,66,36,00	47,99,32,75	52,28,20,00
Other Floating Loans . .	4,80,00	3,43,00	3,37,00	3,43,00
TOTAL .	37,82,02,00	50,69,79,00	48,02,69,75	52,31,63,00
B.—*Debt raised in England*—				
PERMANENT " DEBT—				
India Stocks	4,65	40,00	40,00	1,41
Railway Debenture Stocks . .	10			
State Railway Annuities . .	59,01	48,13	48,13	..
TOTAL . . .	63,76	88,13	88,13	1,41
C.—Other Debt	6,57,16	7,12,26	6,58,54	9,35,86
TOTAL—PUBLIC DEBT . .	38,56,70,04	50,97,94,39	48,31,78,42	53,58,67,27
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—				
Advances to State Governments .	2,75,97,72	2,79,32,65	3,00,41,59	2,91,07,75
Other Loans and Advances .	58,33,25	55,59,83	1,15,90,53	2,06,36,16
TOTAL . .	3,34,30,97	3,34,92,48	4,16,32,12	4,97,43,91
INTER-STATE SETTLEMENT—				
India and Burma . . .	..	..	..	..
Centre and Msyore . .	1,45,00	..	..	..
Centre and Kerala . . .	..	12,00	12,00	..
Centre and Madras . .	..	..	4	5
Centre and Bombay . .	..	..	..	..
TOTAL . . .	1,45,00	12,00	12,04	5
TOTAL—I.—CONSOLIDATED FUND OF INDIA—DISBURSEMENTS	46,21,00,00	59,52,35,16	57,22,34,59	63,92,71,60

C. Statement of the Receipts and Disbursements of the Central Government—*contd.*

[In thousands of Rupees]

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
RECEIPTS				
I.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Appropriations from the Consolidated Fund or from any Reserve Fund .	..	..	2,00,18	..
TOTAL II.—CONTINGENCY FUND OF INDIA—RECEIPTS . .	..	..	2,00,18	..
DISBURSEMENTS				
II.—CONTINGENCY FUND OF INDIA—				
CONTINGENCY FUND OF INDIA—				
Expenditure out of advances from the Contingency Fund of India .	2,00,18	..	..	..
TOTAL II.—CONTINGENCY FUND OF INDIA—DISBURSEMENTS	2,00,18	..	..	..

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposit of Service Funds	2,69	2,56	2,52	2,47
Post Office Savings Bank Deposits	1,79,87,12	1,90,00,00	1,88,00,00	2,20,00,00
10-Year Treasury Savings Deposit Certificates	6,77,02	18,50,00	6,92,00	11,00,00
12-Year National Plan Savings Certificates	71,46,92	90,00,00	83,75,00	90,50,00
Cumulative Time Deposits	..	2,50,00	50,00	2,00,00
Post Office Cash Certificates	—43	..	..	..
Defence Savings Certificates	—49	..	..	..
Defence Savings Bank Deposits	..	..	..	..
National Savings Certificates	4,79,78	..	..	..
10-Year National Plan Certificates	1,27,67	..	..	..
State Provident Funds	42,21,80	40,63,03	43,24,94	44,86,52
Special Loans	..	..	..	..
Other Accounts	2,71,50	2,67,52	3,00,94	3,13,85
TOTAL	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
DEPOSITS AND ADVANCES—				
Depreciation and other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	51,08,62	50,26,72	49,33,13	49,12,47
Railway Development Fund as shown in Railway Budget	13,63,75	27,51,57	23,21,07	32,06,95
P. & T. Renewals Reserve Fund	2,72,80	2,78,10	2,78,63	3,60,52
Telephone Development Fund	65,91	65,00	75,00	70,00
Other Reserve Funds	14,55	72,82	2,05,09	2,13,69
(*b*) *Non-interest bearing*—				
Other Reserve Funds	19,79	23,58	32,43	32,69
Appropriation for Reduction or Avoidance of Debt	5,00,00	5,00,00	5,00,00	5,00,00
Carried over	73,45,42	87,17,79	83,45,35	92,96,32
Carried over	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
Brought forward	73,15,42	87,17,79	83,45,35	92,96,32
Other Deposits and Advances—				
(*a*) *Interest bearing*—				
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge .	4,27,20	40,00	40,00	40,00
Accounts of Compulsory Deposits of Excess Profits Tax under the Indian Finance Act, 1942 . .	..	..	..	..
Deposits towards Payment of Estate Duty	—10	..	..	..
Deposits under Section 10(2B) of the Indian Income Tax Act . .	1,30,74	10,00,00	..	..
Depoits of Trusts for Indian Princes	5,20	5,04	5,04	4,87
Other Deposits	26,27	..	..	..
(*b*) *Non-interest bearing*—				
Silver Redemption Reserve .	1,51,70	..	..	..
Central Road Fund . .	4,40,30	5,01,25	3,99,29	4,50,97
Fund for the Benefit of Cotton-growers	37,38	25,00	17,36	42
Cotton Textiles Fund . .	..	..	..	..
Sugar (Temporary) Excise Fund .	7,18	7,83	..	..
Reserve Fund for Protection of Sugar Industry . . .	83	..	..	..
Fund for Relief of Groundnut Cultivators	..	16	13	10
Fund for Relief of Linseed Cultivators	..	..	..	..
Carried over .	85,72,12	1,02,97,07	88,07,17	98,22,68
Carried over .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
Brought forward . . .	85,72,12	1,02,97,07	88,07,17	98,22,68
Fund for Development of Handloom and Khadi Industries .	9,79,34	8,57,00	9,46,33	8,80,00
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat . .	5,90,78	..	12,02,08	12,02,08
Fund from the sale proceeds of Wheat received under the Colombo Plan	44,78	..	1,71,29	1,71,29
Fund from other Assistance under the Colombo Plan . . .	10,59,63	3,86,33	9,16,07	7,91,13
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement . . .	3,80,48	20,62,76	11,11,86	13,42,00
Fund from the sale proceeds of American Loan Commodities .	12,04,20	10,47,00	12,77,83	2,38,81
Fund for Assistance from Norway for Fisheries Community Development	2,64	25,00	10,79	25,00
Assistance under P.L. 480 . .	..	82,00,00	7,00,00	70,00,00
Coal Mines Labour Housing and General Welfare Fund . .	1,49,45	1,20,49	1,52,38	1,52,38
Mica Mines Labour Welfare Fund .	21,55	20,00	23,00	20,00
Coal Production Fund . . .	11,44	..	..	..
Iron and Steel Equalisation Fund .	24,62,10	19,47,24	19,47,24	16,16,00
Workmen's Benefit Fund . .	..	..	..	..
Post Office Certificates and Cumulative Time Deposits Bonus Fund	1,94,46	1,37,96	1,13,36	3,46,10
Deposits of Local Funds . .	6,30,19	5,07,03	5,14,15	5,21,09
Civil Deposits	2,25,90,33	1,96,12,04	1,77,68,39	1,78,78,21
Other Deposits	58,74,69	54,92,92	58,00,56	60,31,44
Carried Over . . .	4,47,68,18	5,07,12,84	4,14,62,50	4,80,38,57
Carried Over . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84

C.—Statement of the Receipts and Disbursements of the Central Govrenment—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward . .	3,09,13,58	3,44,33,11	3,25,45,40	3,71,52,84
Brought forward . .	4,47,68,18	5,07,12,84	4,14,62,50	4,80,38,57
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge	1,28	8,00	7,00	7,10
Deferred Pay to Indian Troops . .	..	1,50,00	1,47,45	1,47,57
Post-war Reconstruction Fund . .	..	..	..	..
Deposit account of the assistance given by the Ford Foundation . . .	3,83,13	2,48,02	20,00	30,00
Other Accounts			85,11	84,13
Accounts with the Government of Burma	9	67	55	43
Accounts with the Reserve Bank . .	4,26	1,40,22	1,06,56	1,06,26
Other Advances	1,68,73,26	1,59,32,31	1,87,74,94	1,92,49,57
Value of One-rupee Notes issued . .	5,00,00	5,00,00	5,00,00	5,00,00
Sales of Lease-Lend Silver (net) . .	..	..	..	..
Cash Balance Investment Account (net) .	5,48	5,35	5,80	2,05,71
Discount Sinking Fund . . .	1,46,31	1,72,72	1,73,10	1,94,94
Bonus on Loans	..	..	..	..
Other Suspense Accounts (net) . .	..	98,15	32,75,31	8,06,49
Cheques and Bills (net) . . .	..	1,00,00	83,66	..
Departmental and Similar Accounts (net)	..	2,68,59	62,24	70,48
Miscellaneous	1,45,38	86,10	1,39,35	94,49
TOTAL . . .	6,28,27,37	6,84,22,97	6,48,43,57	6,95,35,74
Carried Over . .	9,37,40,95	10,28,56,08	9,73,88,97	10,66,88,58

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

RECEIPTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward . .	9,37,40,95	10,28,56,08	9,73,88,97	10,66,88,58
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . .	2,62,62,99	2,80,00,00	2,82,00,00	2,90,50,00
Other Remittances . . .	5,84,42	4,05,84	4,90,31	4,45,70
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts and Telegraphs	32,27,49	46,58,12	34,82,98	39,41,28
Exchange Accounts between Civil and Defence Services .	1,89,30,98	2,12,84,64	2,10,46,28	2,16,76,96
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account between England and India . . .	2,49,66,07	1,58,12,41	2,05,50,99	1,46,94,77
TOTAL . . .	7,39,71,95	7,01,61,01	7,37,70,56	6,98,08,71
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	2,40,59,75	1,92,11,57	1,69,38,28	1,17,35,97
RESERVE BANK DEPOSITS—RAILWAYS	—1,61,93,24	—1,52,25,26	—1,50,80,10	—1,28,17,88
TOTAL III—PUBLIC ACCOUNT RECEIPTS . .	17,55,79,41	17,70,03,40	17,30,17,71	17,54,15,38
TOTAL—(I+II+III) . .	62,78,46,74	75,47,49,04	73,47,62,01	79,51,25,72
OPENING BALANCE . .	50,95,81	50,55,14	51,80,61	50,11,93
GRAND TOTAL . . .	63,29,42,55	75,98,04,18	73,99,42,62	80,01,37,65

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—				
UNFUNDED DEBT—				
Deposit of Service Funds	4,58	4,23	4,28	4,15
Post Office Savings Bank Deposits	1,62,45,75	1,65,00,00	1,70,00,00	2,00,00,00
10-Year Treasury Savings Deposit Certificates	1,21,28	1,50,00	1,22,00	2,50,00
12-Year National Plan Savings Certificates	3,20	4,00,00	3,75,00	5,00,00
Cumulative Time Deposits	..	..	..	..
Post Office Cash Certificates	88,25	90,00	80,00	70,00
Defence Savings Certificates	2,08	3,00	3,00	3,00
Defence Savings Bank Deposits	2	..	..	..
National Savings Certificates	27,15,89	26,57,00	26,82,00	28,27,00
10-Year National Plan Certificate	3,52,67	4,50,00	2,20,00	3,00,00
State Provident Funds	22,93,49	21,92,15	26,90,45	24,77,62
Special Loans	48	48	48	48
Other Accounts	1,58,91	1,83,49	1,84,71	1,82,50
TOTAL	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75
DEPOSITS AND ADVANCES—				
Depreciation and Other Reserve Funds—				
(*a*) *Interest bearing*—				
Railway Depreciation and Revenue Reserve Funds as per Railway Budget	63,62,09	69,51,66	81,88,08	66,66,07
Railway Development Fund as per Railway Budget	25,53,21	36,70,32	30,40,48	32,06,95
P.& T. Renewals Reserve Fund	1,13,79	1,33,00	1,33,00	1,46,36
Telephone Development Fund	33,84	1,80,00	1,80,00	1,60,00
Other Reserve Funds	94,02	1,23,25	2,64,67	2,38,64
(*b*) *Non-interest bearing*—				
Other Reserve Funds	19,65	26,80	27,84	24,67
Appropriation for Reduction or Avoidance of Debt—				
Sinking Funds	..	..	..	..
OTHER DEPOSITS AND ADVANCES—				
(*a*) *Interest bearing*—				
Deposits of Income Tax, Super Tax, Excess Profits Tax and Surcharge	1,27,61	42,50	70,50	42,40
Account of Compulsory Deposits of Excess Profits Tax under the Indian Finance Act, 1942	1	..	..	..
Carried over	93,04,22	1,11,27,53	1,19,04,57	1,04,85,09
Carried over	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75

C.—Statement of the Receipts and Disbursements of the Central Government—*contd.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*contd.*				
Brought forward	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75
Brought forward	93,04,22	1,11,27,53	1,19,04,57	1,04,85,09
Deposits under Section 10(2B) of the Indian Income Tax Act	28,86	3,00,00	3,67,00	..
Deposits of Trusts for Indian Princes	22,11	22,11	22,11	22,11
(*b*) *Non-interest bearing*:—				
Silver Redemption Reserve	..	..	..	..
Central Rod Fund	3,29,85	5,90,67	5,45,76	5,88,07
Fund for the Benefit of Cotton growers	32,93	77,38	62,80	56,00
Cotton Textiles Fund	17,99	38,96	34,52	32,15
Sugar (Temporary) Excise Fund	1,41	6,25	..	1,54,06
Reserve Fund for Protection of Sugar Industry	..	..	..	..
Fund for Relief of Groundnut Cultivators	4	9	9	16
Fund for Relief of Linseed Cultivators	15	25	20	2
Fund for Development of Handloom and Khadi Industries	8,78,56	8,57,00	10,85,70	8,26,70
Special Development Fund—				
Fund from the sale proceeds of American Loan Wheat	3,76,00	..	18,21,83	12,02,08
Fund from the sale proceeds of Wheat received under the Colombo Plan	..	..	2,94,49	1,71,29
Fund from other Assistance under the Colombo Plan	3,72,25	2,57,43	2,89,22	7,11,30
Fund from Assistance under the Indo-U.S. Technical Co-operation Agreement	5,96,43	11,63,39	10,58,86	10,37,06
Fund from the sale proceeds of American Loan Commodities	1,18,40	..	..	..
Fund for Assistance from Norway for Fisheries Community Development	2,67	25,00	10,79	25,00
Assistance under P.L. 480	..	21,00,00	5,00,00	5,00,00
Coal Mines Labour Housing and General Welfare Fund	1,20,01	2,75,19	1,43,01	2,39,00
Mica Mines Labour Welfare Fund	10,25	24,72	18,01	29,58
Coal Production Fund	1,11,57	..	..	..
Iron and Steel Equalisation Fund	24,62,10	28,82,06	22,26,13	9,12,22
Workmen's Benefit Fund	..	52	1,69	..
Post Office Certificates and Cumulative Time Deposits Bonus Fund	26,15	49,09	46,46	1,32,11
Deposits of Local Funds	5,45,95	5,24,30	4,87,73	4,95,81
Civil Deposits	2,43,94,78	1,95,78,84	1,76,41,87	1,76,45,27
Other Deposits	53,58,73	49,16,56	55,45,52	55,35,44
Deposits of Income Tax, Super Tax, Excess Profits Tax including Interest and Surcharge	80,54	22,00	23,10	15,60
Carried over.	4,51,91,95	4,48,39,34	4,41,31,46	4,08,16,12
Carried over.	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75

C.—Statement of the Receipts and Disbursements of the Central Government—*concld.*

(In thousands of Rupees)

DISBURSEMENTS	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
III.—PUBLIC ACCOUNT—*concld.*				
Brought forward . .	2,19,86,60	2,26,30,35	2,33,61,92	2,66,14,75
Brought forward . .	4,51,91,95	4,48,39,34	4,41,31,46	4,08,16,12
Deferred Pay to Indian Troops . .	..	40,00	1,29,50	1,16,00
Post-war Reconstruction Fund .	..	1,00	50	1,55
Deposit account of the assistance given by the Ford Foundation . .	}		{ 91,47	84,70
Other Accounts	} 2,67,38	1,97,05	{ 88,59	89,47
Account with the Government of Burma	1,11	1,77	2,10	10,90
Accounts with the Reserve Bank .	1,93	1,38,06	1,00,81	1,01,64
Other Advances	1,76,31,50	1,68,53,84	1,87,15,04	1,91,51,33
Value of One-rupee Notes issued .	..	..	..	..
Sales of Lease-Land Silver (net) .	..	..	..	..
Cash Balance Investment Account (net)	..	..	..	..
Discount Sinking Fund . . .	28,29	..	1,71,37	..
Bonus on Loans	..	..	..	..
Other Suspense Accounts (net) .	18,38,55	..	..	..
Cheques and Bills (net) . . .	2,89,74	..	..	1,54,22
Departmental and Similar Accounts (net)	1,23,79	..	..	..
Miscellaneous	4,42,14	86,28	3,55,72	95,16
TOTAL . . .	6,58,16,38	6,21,57,34	6,37,86,56	6,06,21,09
REMITTANCES—				
I.—REMITTANCES WITHIN INDIA—				
Inland Money Orders . . .	2,62,40,43	2,80,50,00	2,81,50,00	2,90,00,00
Other Remittances . . .	5,39,94	4,68,42	4,59,19	4,06,54
Accounts between Civil and other Departments—				
Exchange Accounts between Civil and Posts war Telegraphs	26,97,10	46,58,12	34,82,98	39,41,28
Exchange Accounts between Civil and Defence Services .	1,95,01,76	2,12,84,64	2,10,46,28	2,16,76,96
II.—REMITTANCES BETWEEN ENGLAND AND INDIA—				
Remittance Account betwen England and India	2,21,67,97	1,58,12,41	2,05,50,99	1,46,94,77
TOTAL . . .	7,11,47,20	7,02,73,59	7,36,89,44	6,97,19,55
TRANSFER OF CASH BETWEEN ENGLAND AND INDIA—				
Remittances through the Reserve Bank	2,24,02,82	1,92,11,57	1,69,38,28	1,17,35,97
RESERVE BANK DEPOSITS—				
RAILWAYS	—1,61,93,24	—1,52,25,26	—1,50,80,10	—1,28,17,88
TOTAL III—PUBLIC ACCOUNT DISBURSEMENTS	16,51,59,76	15,90,47,59	16,26,96,10	15,58,73,48
TOTAL—(I+II+III) . . .	62,77,61,94	75,42,82,75	73,49,30,69	79,51,45,08
Closing Balance . .	51,80,61	55,21,43	50,11,93	49,92,57
GRAND TOTAL . .	63,29,42,55	75,98,04,18	73,99,42,62	80,01,37,65

GOVERNMENT OF INDIA

BUDGET

of the

Railway Revenue and Expenditure of the Central Government For 1959-60

(As Finally Adopted)

MINISTRY OF RAILWAYS;
New Delhi, the 18th February 1959

J. DAYAL,
Financial Commissioner for Railways.

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1.—Statement of the Revenue of the Central Government from Railways.

(In thousands of Rupees)

Heads of Revenue	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease (—) as compared with Budget 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.	Rs.
XV.—Indian Government Railways—					
Gross Receipts—					
Passenger Earnings—					
Upper	13,38,30	14,06,00	13,47,20	—58,80	13,51,50
Third	105,71,39	110,67,00	102,82,80	—7,84,20	104,78,50
Other Coaching Earnings .	24,23,37	24,65,00	24,45,00	—20,00	24,00,00
Goods Earnings . . .	229,67,39	250,50,00	245,83,00	—4,67,00	272,58,00
Sundry Other Earnings .	8,41,31	8,45,00	8,65,00	+20,00	8,40,00
TOTAL EARNINGS . . .	381,41,76	408,33,00	395,23,00	—13,10,00	423,28,00
Suspense	—1,63,85	—85,00	—85,00	..	—1,25,00
	(*a*)	(*b*)	(*c*)		(*d*)
Gross Receipts of Indian Government Railways .	379,77,91	407,48,00	394,38,00	—13,10,00	422,03,00
Deduct—					
Working Expenses of Indian Government Railways .	309,17,31	313,34,65	319,22,26	+5,87,61	328,71,05
Payment to Worked Lines—					
(*i*) Net earnings . .	26,34	22,36	10,13	—12,23	11,27
(*ii*) Rebate etc. . .	..	..	78	+78	38
Net Receipts . .	70,34,26	93,90,99	75,04,83	—18,86,16	93,20,30
XVI.—Subsidised Companies—					
Government share of surplus profits etc.	5,05	2,82	2,30	—52	2,37
XVI.-A.—Miscellaneous Railway Receipts—					
Miscellaneous receipts . .	14,70	9,57	2,73,14	+2,63,57	9,91
XVI-B.—Transfer from Railway Revenue Reserve Fund .	..	..	..	..	
TOTAL RECEIPTS . .	70,54,01	94,03,38	77,80,27	16,23,11	93,32,58

(*a*) Includes 52,81 earnings of worked lines.
(*b*) ,, 56,93 ,, ,,
(*c*) ,, 48,71 ,, ,,
(*d*) ,, 45,74 ,, ,,

2.—Statement of the Expenditure of Railways met from the Revenues of the Central Government.

(In thousands of rupees)

Head of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase(+) Decrease(—) as compared with Budget, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.	Rs.
15. Indian Government Railways					
Interest—					
On Government Capital-at-Charge	..	..	..	..	..
On Capital contributed by Indian States and Companies	..	..	..	..	..
Total Interest	..	..	..	..	..
15. (C) Subsidised Companies—Land	..	..	1,29	+1,29	.
Subsidy	5,46	8,00	14,74	+6,74	6,49
15. (D & E) Miscellaneous Railway Expenditure	2,28,31	2,12,15	2,34,26	+22,11	2,66,64
15. (I) Open Line Works—Revenue	10,42,33	14,90,84	12,26,96	—2,63,88	15,00,00
15. (F) Appropriation to Railway Revenue Reserve Fund from Surplus	..	..	..	..	..
15. (H) Appropriation to Railway Development Fund from Surplus	13,37,98	27,34,00	13,00,27	—14,33,73	21,18,74
15. (J) Appropriation to Railway Depreciation Reserve Fund from Surplus	..	..	..	..	..
15. (K) Dividend to General Revenues	44,39,93	49,58,39	50,02,75	+44,36	54,40,71
Total	70,54,01	94,03,38	77,80,27	—16,23,11	93,32,58

3.—Distribution of Railway Surplus 1958-59 and 1959-60.

(In thousands of rupees).

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.
Surplus	13,37,98	27,34,00	13,00,27	21,18,74
Railway Development Fund . .	13,37,98	27,34,00	13,00,27	21,18,74
Railway Revenue Reserve Fund .	..	..	..	..
Railway Depreciation Reserve Fund . .	..	..	..	..

4.—Statement of the Capital Expenditure of the Central Government on Railway

(In thousands of rupees).

Head of Expenditure	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Increase (+) Decrease(—) as compared with Budget 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.	Rs.
Railway Capital not met from Revenue—					
67.—Construction of State Railways—					
Open Line Works—					
Rolling Stock . . .	60,37,72	56,65,64	50,04,90	—6,60,74	55,89,43
Other Works . .	29,65,71	52,15,06	43,67,15	—8,47,91	43,31,55
New Construction . .	20,07,98	28,31,85	21,81,25	—6,50,60	46,97,87
Suspense . . .	40,23,29	8,91,97	4,52,94	—4,39,03	—12,17,73
Miscellaneous . . .	74,46	2,50,00	82,17	—1,67,83	50,00
Probable Savings . .	..	—9,70,93	..	+9,70,93	—12,69,78
Total . .	151,09,16	138,83,59	120,88,41	—17,95,18	121,81,34
67-C.—Discharge of Debentures	80,47	..	..	..	..
Total	151,89,63	138,83,59	120,88,41	—17,95,18	121,81,34

A.—RAILWAY DEPRECIATION RESERVE FUND

(In thousands of rupees)

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60		Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance . .	†103,12,98	93,72,16	88,89,38	55,24,79	Appropriation from Depreciation Reserve Fund . .	63,62,08	69,55,25	81,88,08	66,69,66
Appropriation to Depreciation Reserve Fund .	(*a*) 46,23,00	(*b*) 45,81,44	(*c*) 45,79,06	(*d*) 45,80,56					
Interest on Depreciation Reserve Fund . .	3,15,48	2,77,48	2,44,43	1,58,15	Closing Balance	88,89,38	72,75,83	55,24,79	35,93,84
TOTAL . .	152,51,46	142,31,08	137,12,87	102,63,50	TOTAL . .	152,51,46	142,31,08	137,12,87	102,63,50

*Includes 778·57 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.

(*a*) Includes 1,23,00 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (106,23) and Integral Coach Factory (16,77).

(*b*) Includes 81,44 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (58,00) and Integral Coach Factory (23,44).

(*c*) Includes 79,06 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (58,00) and Integral Coach Factory (21,06).

(*d*) Includes 80,56 debitable to Workshop Manufacture Suspense Account, Chittaranjan Locomotive Works (58,00) and Integral Coach Factory (22,56).

†Excludes 0·99 lakhs on account of difference between *ad hoc* and revised balance on 15-8-1947.

B—RAILWAY REVENUE RESERVE FUND

(In thousands of rupees)

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60		Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance	(a) 48,07,40	(c) 49,69,75	*(c) 48,28,15	(c) 49,37,79	Appropriation from Railway Revenue Reserve Fund	..	..	..	..
Appropriation to Railway Revenue Reserve Fund from Surplus etc.	..	(f) —47	..	(f) —47					
Interest on Railway Revenue Reserve Fund	(b) 1,61,09	(d) 1,68,27	†(g) 1,09,64	(h) 1,74,23	Closing Balance	(c) 49,68,49	(e) 51,37,55	(c) 49,37,79	(e) 51,11,55
TOTAL	49,68,49	51,37,55	49,37,79	51,11,55	TOTAL	49,68,49	51,37,55	49,37,79	51,11,55

(a) Includes 47·56 lakhs on account of investments in shares of and loans to Branch Line Companies and 201·10 lakhs (provisional) on account of Indian States Railways taken over from 1-4-50.

(b) Includes 1·29 lakhs on account of interest and dividends etc., on investments.

(c) Includes 47·56 lakhs on account of investments in shares of and loans to Branch Line Companies.

(d) Includes 1·33 lakhs on account of interest and dividends etc., on investments.

(e) Includes 43·97 lakhs on account of investments in shares of and loans to Branch Line Companies.

(f) Represents loss in cancellation of investments in shares of Kalighat Falta Railway.

(g) Includes 1·58 lakhs on account of interest and dividents etc., on investments.

(h) Includes 1·52 lakhs on account of interest and dividends etc., on investments.

*Excludes 140·34 lakhs on account of proposed notional pro-rata reduction in pre-partition balances on 15-8-1947.

†Includes refund of interest of 55·00 lakhs to A.G.C.R. on reduction of pre-partition balance.

C. RAILWAY DEVELOPMENT FUND

(In thousands of rupees).

	Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60		Accounts, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Opening Balance	(a) 13,74,58	9,86,55	(b) 7,19,41	..	Appropriation from Development Fund	25,53,21	36,70,32	30,21,55	31,49,00
Appropriation to Development Fund from Surplus	13,37,98	27,34,00	13,00,27	21,18,74					
Loans from General Revenues	..	..	10,97,63	10,88,21	Interest on loans	..	..	18,93	57,95
Interest on Development Fund	25,77	17,57	(c) —76,83	..	Closing Balance	1,85,12	67,80	..	..
TOTAL	27,38,33	37,38,12	30,40,48	32,06,95	TOTAL	27,38,33	37,38,12	30,40,48	32,06,95

(a) Includes 55·63 lakhs (provisional) on account of Indian States Railways taken over from 1-4-1950.

(b) (i) Excludes 219·81 lakhs on account of proposed notional pro-rata reduction in pre-partition balances on 15-8-1947.
(ii) Includes 754·10 lakhs due to proposed transfer of the cost of Deesa-Gandhidham (556·13) and Chunar-Robertsganj (197·97) lines to Capital.

(c) Includes refund of 87·54 lakhs interest to A.G.C.R. on reduction of pre-partition balances *vide* note (b) (i).

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Budget, 1959-60
Explanatory Memorandum

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PREFACE

The Explanatory Memorandum has been recast following the decision to present the Demand for Grants by Ministries commencing with the year 1959-50. It now consists of only two Sections, the first dealing with the estimates of revenue and expenditure met from revenue and the second dealing with the capital transactions.

Notes explaining the variations in the provision under individual Demands for Grants and notes on important schemes which used to appear in the Explanatory Memorandum have been taken into the separate volumes in which the Demands for Grants of the individual Ministries are being presented. Similarly, the balance sheets and accounts of commercial and other undertakings which used to appear as an annexure to the Notes on Important Schemes have been included in the volumes of Demands of the Ministries concerned. In the Hindi version, however, the present practice of giving the Demands in a continuous complilation is being maintained. But the notes on the Demands and on Important Schemes and the balance-sheets and accounts of commercial undertakings, which used to appear in the Explanatory Memorandum are now being included in the respective volumes of the Demands for Grants.

Certain data and statistics of economic interest, which used to appear in the Explanatory Memorandum, have been transferred to the Economic Survey which is presented along with the Budget. These statistics and data have been suitably edited.

Annexures are added at the end giving the progress of revenue and expenditure over a period of years, new items costing Rs. 5 lakhs and above, provision for Plan expenditure, details of the resources transferred from the Centre to the States, the distribution by Demands for Grants and Appropriations of the expenditure shown by heads of account in the Budget statement for 1959-60, the distribution of the expenditure estimates for 1959-60 under broad categories, the nature and purpose of the Special Development Fund and other foreign aid received by India, the loans from friendly foreign Governments and from the International Bank for Reconstruction and Development, details of investments made in industrial undertakings and returns therefrom, progressive figures of the net receipts from public borrowings in India and from Unfunded Debt, a consolidated statement of contributions to International bodies, a table showing the income-tax payable as percentage of total income and a Summary of the Ways and Means.

The Introductory Note explains the board structure of the budget, the various types of transactions included in the different sections of the accounts and the relation between the annual financial statement laid before Parliament in accordance with the provisions of the Constitution and the Demands for Grants and Appropriations presented to Parliament.

In this Memorandum the expressions "current year" and "next year" indicate the financial years 1958-59 and 1959-60, respectively. Unless otherwise stated all amounts are in lakhs of rupees. Sterling transactions in the current year have been converted at the rate of 1 sh. 5 31/32 d. on the basis of the actual rates prevailing upto January 1959. In accordance with the usual practice similar transactions included in the budget for 1959-60 have been converted into rupees at the standard rate of 1 sh. 6 d. to the rupee.

The accounts for the year 1957-58 have not been finally closed. The actuals for that year shown in the Explanatory Memorandum and elsewhere are, therefore, provisional and subject to readjustment.

INTRODUCTORY NOTE

The "annual financial statement" laid before both Houses of Parliament, in accordance with the provisions of the Constitution, is the budget of the Central Government. This statement covers all the transactions of the Central Government during the current and the ensuing year. The budget of the Indian Railways is separately presented to Parliament and dealt with by it. But as the receipts and expenditure of the Railways are, nevertheless, the receipts and expenditure of the Government of India, the figures relating to these are also included in lump in the general budget.

2. The annual financial statement is prepared by major heads of account, prescribed in consultation with the Comptroller and Auditor General. These heads fall either under the Consolidated Fund of India or in the Public Account of the Government. In addition, the Government of India also maintain a Contingency Fund, set up by law of Parliament, under Art. 267(1) of the Constitution, with a balance of Rs. 15 crores, for making advances for urgent unforeseen expenditure, which are recouped to the Fund by debit to the Consolidated Fund of India, after obtaining Parliamentary Sanction for such expenditure. The receipts and expenditure of Government fall under one or other of the major heads either in the Consolidated Fund or the Public Account in accordance with the prescribed rules of classification.

3. All revenues received by the Government of India, all loans raised by the Government by the issue of Treasury Bills, loans or ways and means advances and all monies received by Government in repayment of loans are credited to the Consolidated Fund and monies can be appropriated from that Fund only in accordance with law and for the purposes and in the manner provided in the Constitution. All other public monies received by or on behalf of the Government of India are credited to the Public Account. Government expenditure, including expenditure on loans and advances by Government, the repayment of loans, treasury bills and ways and means advances is met out of the Consolidated Fund. The estimates of expenditure have to show separately the sums required to meet expenditure which the Constitution has "charged" upon the Consolidated Fund and the sums required to meet other expenditure. The estimates have also to distinguish expenditure on revenue account from other expenditure. The latter covers expenditure on capital outlay, loans given by Government and expenditure on the repayment of loans, treasury bills and ways and means advances.

4. The estimates of expenditure to be met from the Consolidated Fund are presented to the Lok Sabha in the form of Demands for Grants, except to the extent to which such expenditure is "charged" on the Consolidated Fund and, in consequence, does not require a vote of the Lok Sabha. These demands generally cover the requirements of each individual administrative service. For example, a Ministry will have a demand for its own expenditure and one for the expenditure of each one of the various departments under its administrative control. Except in special circumstances, a demand does not cover more than one department or more than one head of account. The main exception to this is that all expenditure controlled by the head of each of the Union Territories is brought together in a single demand. There are also demands for miscellaneous departments and for purposes such as, payments of grants-in-aid, etc. for some Ministries. A single Demand covers the loan requirements of all Ministries and Union territories. The "charged" expenditure under any head for which there is a voted demand is included in that demand, but is shown separately and is, as explained earlier, not presented for vote. Where expenditure is wholly charged, a separate appropriation is included for it in the Book of Demands.

5. Within each demand the estimates are arranged by suitable sub-heads, which indicate broadly the categories and nature of expenditure included in the demand. So long as the total demand is not exceeded, Government (and authorities subordinate to them to whom powers may be delegated) can meet excesses under one sub-head from savings in another except that excess in "charged" expenditure cannot be met by savings under "voted" heads and *vice versa*.

6. One qualificatior must be remembered in considering the demands for grants. Although hey are generally by major heads, the total of all the demands relating to a major head and the 'charged' expenditure provided under that head may not agree with the total shown in the annual financial statement. This is because certain recoveries are taken in the accounts in reduction of expenditure while in the demands, which when passed, provide the authority for incurring the particular item of expenditure, these recoveries are not taken into account. Broadly, these recoveries relate to inter-departmental adjustments or recoveries from other Governments, *ad hoc* funds, etc. Thus if the Union Excise Department does some work for Customs, the gross expenditure will appear in the demand under Union Excises while the accounts will show only the net expenditure (*i.e.* gross expenditure less recovery from Customs) under the major head 'Union Excise Duties'. Similarly, while the interest received on the capital advanced to commercial departments and State Governments is taken in the accounts in reduction of expenditure under the major head 'Interest', the appropriation for 'Interest' will show the actual sum which Government have to find for the payment of interest on and the servicing of the outstanding debt and other interest bearing obligations.

7. After the demands have been voted by the Lok Sabha, the monies required to meet the grants so voted and the expenditure 'charged' on the Consolidated Fund and included in the annual financial statement presented to Parliament are withdrawn from the Consolidated Fund under the authority of an Appropriation Act passed by Parliament.

8. For payments out of the Public Account, no demand is required to be presented to Parliament and the actual requirements are met from time to time as they arise. These payments are largely of the nature of banking transactions. State Provident Funds, Depreciation and other Reserve Funds of Government departments, Post Office Savings Banks, Post Office Cash and other Savings Certificates, Postal Life Insurance Fund, *ad hoc* funds created by Government by appropriation from revenue or otherwise, miscellaneous deposits and remittances are included in the Public Account. It is broadly correct to say that none of the monies lying in the Public Account belong to Government. They have to be paid back at sometime or the other to the public as in the case of State Provident Funds, Postal Savings Bank, Postal Cash Certificates, Life Insurance Funds, etc. or to be utilised by Government in an agreed manner as in the case of *ad hoc* funds set up for special purposes. It may be mentioned, to complete the picture, that the approval of Parliament is necessary to any appropriation from revenue to create a fund and, unless the monies thus funded are made over to corporate bodies with separate legal status of their own, similar approval is required for incurring subsequent expenditure from such funds. When an amount is transferred to any such fund, it is shown as expenditure in the estimates of the year in which the transfer is made. Expenditure met from these funds is similarly shown in the estimates of the year in which it is incurred but an equivalent amount is transferred from the fund to meet this expenditure. Parliamentary control is thus secured on both the creation of such funds and the utilisation of the monies in them.

SECTION I

ESTIMATE OF REVENUE AND EXPENDITURE MET FROM REVENUE

SECTION

REVENUE

The budget for 1958-59 assumed a deficit on revenue account of Rs. 59·95 crores. On the basis of the current year's level of taxation the expenditure met from revenue at Rs. 8,39·18 crores leaving a deficit of

The estimated revenue and expenditure by Major Heads of Account of the Central Government. Statement I below gives by broad categories a how the estimated expenditure for the next year has been distributed over

STATEMENT

SUMMARY OF REVENUE

REVENUE

Heads of Revenue	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
Customs	1,79,99	1,70,00	1,36,00	1,30,00 +2,77*
Union Excise Duties	2,73,62	3,04,76	3,01,15	3,07,00 +17,32
Corporation Tax	56,13	55,50	56,00	58,75
Taxes on Income	1,63,70	1,61,50	1,62,50	1,66,25
Estate Duty	2,30	2,50	2,50	2,15
Taxes on Wealth	7,04	12,50	10,00	10,50 +2,50*
Taxes on Railway Fares	3,68	9,22	11,00	11,00
Expenditure Tax	..	3,00	1,00	1,00
Gift Tax	..	2,00	1,20	1,20
Opium	2,87	2,87	3,31	3,92
Interest	6,18	6,60	8,36	10,75
Civil Administration	41,08	44,24	45,63	35,80
Currency and Mint	33,27	36,62	34,76	55,60
Civil Works	2,52	2,87	2,87	3,00
Other Sources of Revenue	23,66	32,93	29,21	41,93
Posts & Telegraphs (Net contribution)	3,71	2,34	5,38	4,20
Railways—(Net contribution)	6,29	7,04	6,40	5,98
Deduct—Share of Income Tax payable to States	—73,43	—76,97	—75,80	—78,62
Deduct—Share of Estate Duty payable to States	—2,40	—2,38	—2,38	—2,71
Deduct—Share of Taxes on Railway Fares payable to States	—4,41	—9,15	—10,89	—10,89
TOTAL—REVENUE	7,25,80	7,67,99	7,28,20	7,57,51 22,59*
DEFICIT ON REVENUE ACCOUNT	..	28,02	59,95	59,08
TOTAL	7,25,80	7,96,01	7,88,15	8,39,18

* Effect of Finance Act.

†Excludes a sum of Rs. 239 lakhs being the share of Union Excise Duties (Basic & Additional) payable to the States.

I

BUDGET

Rs. 28·02 crores. It is now expected that this deficit will be increased to revenue for the coming year is estimated at Rs. 7,57·51 crores and the Rs. 81·67 crores. After allowing for the effect of the Finance Act, 1959, it is estimated that this Revenue deficit will be reduced to Rs. 59·08 crores.

have been shown in statements A and B of the annual Financial Statement summary of the estimated revenue and expenditure. Annexure X shows the various Demands for Grants and Appropriations.

I

AND EXPENDITURE

EXPENDITURE

(In lakhs of Rupees)

Heads of Expenditure	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
Direct Demands on Revenue	61,77	94,45	99,63	1,01,65
Irrigation	11	13	16	16
Debt Services	42,08	40,00	42,06	57,88
Civil Administration	1,68,00	2,00,44	1,97,72	2,22,73
Currency and Mint	7,23	8,50	9,14	9,83
Civil Works	17,16	18,71	18,32	19,35
Miscellaneous	73,27	80,21	92,09	1,00,62
Defence Services (Net)	2,56,72	2,78,14	2,66,87	2,42,68
Contributions and Grants-in-aid to States	45,90	47,03	46,95	49,02
Extraordinary Items	11,51	28,40	15,21	35,26
TOTAL—EXPENDITURE	6,83,75	7,96,01	7,88,15	8,39,18
SURPLUS ON REVENUE ACCOUNT	42,05	..	..	..
TOTAL	7,25,80	7,96,01	7.88,15	8,39,18

NOTES ON REVENUE ESTIMATES

Customs.—A rough distribution of the Customs revenue expected to be collected during the current year and the next year is given below:

STATEMENT II

SEA CUSTOMS—IMPORTS

(In lakhs of Rs.)

	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
I.—*Revenue Duties*				
Ale, beer, porter, cider and other fermented liquors	10	5	3	2
Spirits and liquors	1,30	60	1,10	90
Wines	4	3	4	4
Spices	1,19	60	70	60
Tobacco	1,91	80	1,50	1,20
Kerosene oil	9,84	9,30	8,00	9,00
Motor spirit	4,62	4,50	2,50	2,50
Oils—batching, fuel and lubricating	3,10	3,20	2,00	5,23
Motor cars, cycles, scooters, omnibuses, chassis, vans, lorries and parts thereof	12,92	13,50	70	70
Electric lighting bulbs	34	20	12	10
Wireless reception instruments and apparatus	1,02	65	70	65
Coal-tar dyes and coal-tar derivatives	2,23	1,60	1,50	1,40
Machinery	17,29	18,00	13,00	13,00
Iron and steel	6,18	6,00	7,00	7,00
Metals, other than iron and steel, silver and block tin	72	60	70	70
Railway plant and rolling stock	2,62	2,50	4,00	3,70
Wood-pulp, paper and stationery	3,87	3,00	2,50	2,50
Artificial silk yarn and thread	6,11	5,00	6,30	6,40
Yarn and other textile fabrics	99	80	65	60
Cinematograph films	66	40	45	60
Pneumatic rubber tyres and tubes	71	50	30	32
Toys, games and sports goods	19	10	3	3
Betelnuts	6,88	3,50	4,20	3,00
All other articles	54,34	55,31	37,50	37,50
TOTAL—Revenue Duties	1,39,17	1,30,74	95,52	97,69
II.—*Protective Duties*				
Heavy Chemicals	2,17	2,20	2,20	2,00
Iron and steel	9	9	7	7
Metals other than iron and steel	1,95	2,00	1,40	1,40
Raw silk	18	20	18	16
Silk yarn and thread	4	5	1	1
Silk fabrics	3	2	2	2
Artificial silk fabrics	26	20	50	40
Machinery other than Sewing Machines	1,96	2,00	1,50	1,40
Cycles (other than motor cycles) and parts thereof	1,63	1,00	65	65
All other articles	3,41	2,07	10,52	10,52
TOTAL—Protective Duties	11,72	9,83	17,05	16,63
III.—*Duties on American Disposals*				
Duties on American Disposals	5	..	..	.
TOTAL—IMPORTS	1,50,94	1,40,57	1,12,57	1,14,32

STATEMENT II—*contd.*

SEA CUSTOMS—EXPORTS

(In lakhs of Rs.)

	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
Raw Cotton	1,25	1,30	1,80	1,50
Cotton Waste	1,44	1,50	1,00	1,00
Manganese	3,48	4,00	1,00	..
Tea	19,09	18,00	17,00	13,57
Other agricultural produce	41	40	44	44
Mica	23	24	25	25
Oils and oil seeds	68	70	5	..
Coffee	7	3	8	8
Coir	..	5	5	5
Oil cakes	..	4	..	..
Lac	7	7	6	6
All other articles	6	..	..	..
TOTAL—EXPORTS	26,83	26,33	21,73	16,95
Land Customs	3,70	3,50	2,80	2,80
Air Customs	2,11	2,40	60	60
Miscellaneous	1,47	1,20	1,70	1,60
TOTAL—GROSS REVENUE	1,85,05	1,74,00	1,39,40	1,36,27
Deduct—REFUNDS	—5,06	—4,00	—3,40	—3,50
NET REVENUE	1,79,99	1,70,00	1,36,00	1,32,77

The import tariff is cast in the form of a commodity schedule with broad distinctions indicating the treatment to be accorded to various classes of articles. The general rate of import duty is now about 40 per cent. On certain non-essential items where it is felt that the consumer can well pay a higher rate or where there is sufficient indigenous production to meet the needs, higher rates of duty are imposed. Certain items are subject to protective duties while certain others are declared duty free or are subject to lower rates of duty in the interest of indigenous industry or the economy of the country. Some of the items which carry the heaviest rates of duty (ranging from 75 to 200 per cent.) are tobacco manufactures, wines and spirits, artificial silk goods, gold plated articles, fabrics containing gold or silver thread, socks and stocking of silk or art silk, boots and shoes, parasols and sunshades, gold and silver thread manufactures, silver thread and wire, motor cars, clocks and watches, etc. Some of the protected goods are automobiles, electric conductors, some chemicals, certain coal tar dyes, matches, silk fabrics, aluminium, cycles, certain items of machinery and parts, ball bearings, titanium dioxide, power and distribution transformers, for which the rates of duty are fixed at such amounts and for such periods as are found necessary having regard to the recommendations of the Tariff Commission. Grains and pulses and a number of raw materials for industry are on the free list, while specially low but varying rates of tax cover a large number of essential items like fuel oils, batching oils, lubricants, raw films, machinery etc.

The effect of export duties on the country's export trade is kept under constant review. In order to improve the competitive position of Indian produce in foreign markets, export duties on manganese ore, oil-seeds, vegetable oils and oil-cakes were abolished and the duties on certain varieties of raw cotton reduced. The export duty on tea was revised in conjunction with necessary changes in the excise duty so as to give a measure of relief to common teas. There are now very few commodities which are subjected to export duties; of these tea is the most important.

On the trend of actuals up to the end of January 1959, the total Customs revenue for the year is now estimated at Rs. 136 crores against Rs. 170 crores taken in the original budget. The revenue from import duties is now less by Rs. 28 crores due mainly to the cuts made in the import programme affecting a large variety of consumer goods to conserve foreign exchange resources. The increase in internal production, with consequent drop in imports, has also, to some extent affected the Customs revenue, notably under motor spirit. Export duties account for a shortfall of Rs. 5 crores resulting from the abolition or reduction of duty on various items, chiefly manganese and tea.

Next year's estimate of Rs. 132·77 crores is lower by Rs. 3·23 crores and reflects the full year's effect of the abolition and reduction of export duty on various items and the contraction in imports. The estimate also includes Rs. 2·77 crores on account of changes in the Customs duty under the Finance Act, 1959. The additional Revenue of Rs. 2·77 crores is comprised of Rs. 3·23 crores from the enhanced import duty on oils (batching, fuel and lubricating), Rs. 40 lakhs on artificial silk, yarn and thread, Rs. 5 lakhs on Cinematograph films and Rs. 2 lakhs on pneumatic rubber tyres and tubes, counter-balanced by a short-fall of Rs. 93 lakhs on account of reduction of export duty on tea.

STATEMENT III

Union Excise Duties.—Following are the details of revenue from Union Excise Duties:—

(In lakhs of Rs.)

	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
Basic Duties				
Motor Spirit	30,85	32,00	32,29	33,25
Kerosene	3,06	3,45	4,20	5,08
Sugar	42,75	42,00	46,00	47,28
Matches	15,08	15,33	17,70	18,00
Steel Ingots	6,25	6,66	7,00	8,00
Tyres & Tubes	3,87	6,30	6,80	8,55
Tobacco	45,49	42,64	41,91	43,49
Vegetable Products	3,92	3,96	3,96	4,91
Coffee	1,32	1,30	1,20	1,20
Tea	3,86	4,40	6,20	7,38
Cotton Cloth	64,60	59,59	42,66	42,66
Artificial Silk	1,69	80	80	1,57
Cement	11,17	13,60	13,83	14,03
Footwear	97	98	1,05	1,05
Soap	1,76	1,65	1,85	1,85
Woollen Fabrics	61	60	62	62
Electric Fans	46	45	48	48
Electric Bulbs	30	30	30	30
Electric Batteries	80	81	85	85
Paper	5,39	5,20	6,50	6,80
Paints and Varnishes	1,20	1,10	1,22	1,30
Vegetable non-essential Oils	9,80	9,50	8,60	13,09
Refined Diesel Oils and Vapourising Oils	7,01	7,60	8,74	16,90
Industrial Fuel Oils	3,24	2,86	4,45	4,96
Rayon and Synthetic fibres and yarn	29	90	1,32	1,93
Motor Cars	32	32	16	23
Coal Cess	2,68	2,45	3,00	3,25
Cess on Copra	12	7	7	7
Cess on oils and oil-seeds	91	15	23	23
Miscellaneous	4,74	51	51	51
TOTAL—GROSS REVENUE	2,74,51	2,67,28	2,64,50	2,89,82
Deduct—REFUNDS AND DRAWBACKS	—3,50	—4,00	—4,50	—4,50
TOTAL—NET REVENUE	2,71,01	2,63,28	2,60,00	2,85,32
Additional Duties	..			
Sugar	..	12,18	12,86	13,04
Textiles	..	21,90	21,19	21,25
Tobacco	..	7,40	7,10	7,10
TOTAL	2,61	41,48	41,15	41,39
GRAND TOTAL—UNION EXCISE DUTIES	2,73,62	3,04,76	3,01,15	3,26,71

The revenue from Union Excise Duties, excluding the additional excise duties, is expected to be Rs. 260 crores this year against the original budget of Rs. 263·28 crores resulting in a shortfall of Rs. 3·28 crores. This is the net result of variations under various items. Duty on cotton cloth accounts for a decrease of Rs. 16·73 crores due mainly to the tariff concessions allowed in March and July 1958 and lesser clearance of cloth from mills than expected. This shortfall, however, has been largely counter-balanced by increases under various items, such as Rs. 4 crores under sugar, Rs. 2·37 crores under matches, Rs. 1·8 crores under tea, Rs. 1·59 crores under industrial fuel oils, Rs. 1·3 crores under paper and Rs. 1·14 crores under refined diesel oils and vapourising oils.

Excluding the additional excise duties, the estimated collections of basic Union Excises next year have been placed at Rs. 285·32 crores yielding a net increase of Rs. 25·32 crores over the revised estimates. This increase is distributed over a number of items and is attributable to larger production expected next year. The above estimate includes Rs. 19·47 crores on account of changes in the excise duties made and new duty on Khandsari imposed under the Finance Act, 1959. This additional revenue is mainly from Refined diesel oil and vaporising oil (Rs. 7·50 crores), vegetable non-essential oils (Rs. 4·29 crores), Tobacco (Rs. 1·50 crores), Tyres and Tubes (Rs. 1·75 crores) and Khandsari Sugar (Rs. 1·28 crores).

The above estimates include:

(a) Rs. 6·5 crores in both the years from the special cess of 3 pies per square yard on mill made cloth, for the benefit of handloom and khadi industries;

(b) Rs. 3 crores this year and Rs. 3·25 crores next year from the Coal Mines Labour Welfare Cess and the Coal Mines Safety Stowing Cess. The revenue from these cesses does not accrue to Government; the Labour Welfare Cess is transferred to an *ad hoc* Fund and the Coal Mines Safety and Conservation Cess is paid to the Coal Board and provision for both these payments is made in the expenditure estimates; and

(c) Rs. 7 lakhs in both the years on account of cess on copra and Rs. 23 lakhs in both the years on account of cess on oils and oilseeds for payment to the Indian Central Coconut Committee and the Indian Central Oilseeds Committee respectively.

The current budget provided for payment to States of a sum of Rs. 29·5 crores, being 25 per cent of the net proceeds of the basic Excise Duties on matches, tobacco, sugar, vegetable products, coffee, tea, paper and vegetable non-essential oils. These are distributable amongst the States under the provisions of the Union Duties of Excise (Distribution) Act, 1957 in the percentages indicated below:—

State	*Per cent.*
Andhra Pradesh	9·38
Assam	3·46
Bihar	10·57
Bombay	12·17
Kerala	3·84
Madhya Pradesh	7·46
Madras	7·56
Mysore	6·52
Orissa	4·46
Punjab	4·59
Rajasthan	4·71
Uttar Pradesh	15·94
West Bengal	7·59
Jammu and Kashmir	1·75
	100·00

On the basis of the latest estimates of revenue likely to be collected in both the years, the share payable to the States is estimated at Rs. 33·49 crores this year (including arrears of Rs. 1·48 crores) and at Rs. 34·53 crores next year. These payments are provided for on the expenditure side in the Demand for Union Excise Duties. The provision of Rs. 32·38 crores included next year for this purpose excludes the effect of budget proposals. The additional payment to the States will be covered if necessary by a Supplementary Appropriation during the year. The share of the States has been worked out as follows:

	(In lakhs of Rs.) Revised, 1958-59	Budget, 1959-60
Total gross collections of divisible commodities	132,07	142,15
Deduct—Refunds	—1,44	—1,39
Deduct—Cost of collection	—2,60	—2,64
Net proceeds of divisible commodities	128,03	138,12
Amount payable to States (25%)	32,01	34,53
Adjustment on account of short payments in respect of previous years	+1,48	
	33,49	34,53

The amount payable to each State has been shown in Statement IV.

Additional Duties of Excise.—The Additional Duties of Excise (Goods of Special Importance) Act, 1957, provides for the levy and collection of additional duties on sugar, tobacco, cotton fabrics, rayon or artificial silk fabrics and woollen fabrics produced or manufactured in India. These duties are in addition to the duties payable under the Central Excises and Salt Act, 1944 or any other law for the time being in force and replace, by agreement with the State Governments, the sales tax levied by them on these commodities.

The net collections of these additional duties are now estimated at Rs. 40·45 crores this year and Rs. 40·66 crores next year as detailed below:—

(In lakhs of Rs.)

Commodity	Revised Estimates, 1958-59			Budget Estimates, 1959-60		
	Gross collections	Refunds and cost of collection	Net proceeds	Gross collections	Refunds and cost of collection	Net proceeds
Sugar	12,86	—26	12,60	13,04	—25	12,79
Textiles	21,19	—33	20,86	21,25	—35	20,90
Tobacco	7,10	—11	6,99	7,10	—13	6,97
TOTAL	41,15	—70	40,45	41,39	—73	40,66

The net proceeds of these duties are distributable in accordance with the provisions of section 4 of the Act referred to above read with the Second Schedule thereto. The amount payable to the States during the current year after adjusting the excess payment of Rs. 55 lakhs made last

year, works out to Rs. 39·5 crores. Next year's payment is estimated at Rs. 40·25 crores. The amount payable to each State has been shown in Statement IV.

Taxes on Income including Corporation Tax.—Broad details of revenue are—

(In lakhs of Rs.)

	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
Corporation Tax—				
Ordinary Collections	56,21	55,00	55,45	58,15
Surcharge	7	..	..	..
Excess Profits Tax	—15	35	50	50
Business Profits Tax	..	15	5	10
TOTAL	56,13	55,50	56,00	58,75
Taxes on Income other than Corporation Tax—				
Ordinary Collections	1,55,54	1,50,85	1,52,40	1,55,95
Surcharge (Central)	6,94	5,75	5,75	6,00
Surcharge (Special)	24	4,50	4,00	4,00
Excess Profits Tax	86	30	30	25
Business Profits Tax	12	10	5	5
TOTAL	1,63,70	1,61,50	1,62,50	1,66,25
GRAND TOTAL—CORPORATION TAX AND TAXES ON INCOME	2,19,83	2,17,00	2,18,50	2,25,00

While the Corporation Tax accrues in its entirety to the Centre, the net proceeds of income-tax, except the tax attributable to Central emoluments and Union territories and Central surcharges, if any, are divisible between the Centre and the States.

The Constitution (Distribution of Revenues) No. 2 Order, 1957, provides that sixty per cent. of the net proceeds of the taxes on income, exclusive of the proceeds attributable to Union territories or the taxes payable in respect of Union emoluments, shall be assigned to the States and distributed among them as follows:—

States	*Per cent.*
Andhra Pradesh	8·12
Assam	2·44
Bihar	9·94
Bombay	15·97
Kerala	3·64
Madhya Pradesh	6·72
Madras	8·40
Mysore	5·14
Orissa	3·73
Punjab	4·24
Rajasthan	4·09
Uttar Pradesh	16·36
West Bengal	10·08
Jammu and Kashmir	1·13
	100·00

The current year's Budget provided for payment to States of a sum of Rs. 76·97 crores, as their share of the net proceeds of divisible taxes on income. The amount payable to them is now estimated at Rs. 75·80 crores this year and Rs. 78·62 crores next year. The detailed calculations are given below:

(In lakhs of Rs.)

	1958-59 Budget	1958-59 Revised	1959-60 Budget
Total taxes on income other than Corporation Tax excluding Central surcharge, Miscellaneous receipts and Advance payments	1,37,35	1,37,85	1,39,80
Deduct—Portion attributable to Central emoluments	—3,86	—3,81	—3,28
Deduct—Cost of collection	—3,91	—3,86	—4,16
Net	1,29,58	1,30,18	1,32,36
Portion attributable to Union Territories (1%)	—1,30	—1,30	—1,32
TOTAL—DIVISIBLE POOL	1,28,28	1,28,88	1,31,04
Amount payable to States (60%)	76,97	77,33	78,62
Adjustment on account of over-payments in respect of previous years	..	—1,53	..
Amount payable to States	76,97	75,80	78,62

The amount payable to each State has been shown in Statement IV.

Estate Duty.—The entire net proceeds of Estate Duty on agricultural land are assigned to the States from which it is collected. In respect of the duty on property other than agricultural land, the Estate Duty and Tax on Railway Passenger Fares (Distribution) Act, 1957 provides that the net proceeds collected during a year, after deducting a sum equal to one per cent as being attributable to Union territories, be distributed amongst the States as under:

(a) The amount attributable to immovable property shall be distributed amongst the States in proportion to the gross value of the immovable property situated in those States.

(b) The balance shall be distributed amongst the States as follows:—

State	*Per cent.*
Andhra Pradesh	8·76
Assam	2·53
Bihar	10·86
Bombay	13·52
Kerala	3·79
Madhya Pradesh	7·30
Madras	8·40
Mysore	5·43
Orissa	4·10
Punjab	4·52
Rajasthan	4·47
Uttar Pradesh	17·71
West Bengal	7·37
Jammu and Kashmir	1·24
	100·00

The revised estimates this year and the budget estimates next year in respect of Estate Duty have been taken at Rs. 2·5 crores and Rs. 2·85 crores respectively. Of this, the share payable to the States on account of the duty on agricultural land is estimated at Rs. 11·43 lakhs this year and Rs. 12·12 lakhs next year. The duty on property other than agricultural land accruing to the States would amount to Rs. 226·38 lakhs this year and Rs. 259·13 lakhs next year. The share of the States has been worked out as under:—

	1958-59 Revised	1959-60 Budget
	(Rs. in thousands)	
Agricultural land—		
Total gross collections	11,94	12,69
Deduct—Cost of collection	—45	—51
Deduct—Net proceeds in respect of Union territories	—6	—6
Net amount to be distributed amongst States	11,43	12,12
Property other than Agricultural land—		
Total gross collections	2,38,06	2,72,31
Deduct—Cost of collection	—9,39	—10,56
Net proceeds	2,28,67	2,61,75
Less—Portion attributable to Union territories (1%)	—2,29	—2,62
Net proceeds to be distributed amongst States	2,26,38	2,59,13
Amount attributable to immovable property	78,92	94,01
The balance of the net distributable proceeds	1,47,46	1,65,12

The amount payable to each State has been shown in Statement IV.

Taxes on Wealth.—The Wealth Tax Act, 1957, provides for the levy of a tax on the net wealth of every individual, Hindu undivided family and company at the rates specified below:

	w.e.f. 1.4.57	w.e.f. 1.4.59
(*a*) *Individuals*—		
(*i*) On the first Rs. 2 lakhs of net wealth	Nil	Nil
(*ii*) On the next Rs. 10 lakhs of net wealth	½%	1%
(*iii*) On the next Rs. 10 lakhs of net wealth	1%	1½%
(*iv*) On the balance of net wealth	1½%	2%
(*b*) *Hindu undivided family* :—		
(*i*) On the first Rs. 4 lakhs of net wealth	Nil	Nil
(*ii*) On the next Rs. 9 lakhs of net wealth	½%	1%
(*iii*) On the next Rs. 10 lakhs of net wealth	1%	1½%
(*iv*) On the balance of net wealth	1½%	2%
(*c*) *Company*—		
(*i*) On the first Rs. 5 lakhs of net wealth	Nil	Nil
(*ii*) On the balance of net wealth	½%	½%

The revenue from the tax is estimated at Rs. 10 crores this year and Rs. 13 crores next year including Rs. 2·5 crores on account of increase in rates effected by the Finance Act, 1959.

Taxes on Railway Passenger Fares.—The Railway Passenger Fares Act, 1957, provides for the levy of a tax on railway fares paid by passengers at the following rates:—

Description of Traffic	Rate of tax
1. Passengers travelling by railway on season tickets	Nil.
2. Passengers travelling by railway for distances upto 15 miles (inclusive)	Nil.
3. Passengers travelling by railway for distances from 16 miles to 30 miles (inclusive)	5% of fare.
4. Passengers travelling by railway for distances from 31 miles to 500 miles (inclusive)	15% of fare.
5. Passengers travelling by railway for distances over 500 miles	10% of fare.
6. Passengers travelling on mileage coupons	12½% of the cost of the coupons.

Under the provisions of the Estate Duty and Taxes on Railway Passenger Fares (Distribution) Act, 1957, the net proceeds, in any financial year, of the tax on railway passenger fares, after deducting a sum equal to ¼ per cent. of the said proceeds as being attributable to Union territories, are to be distributed amongst the States as follows:—

States	*Per cent.*
Andhra Pradesh	8·86
Assam	2·71
Bihar	9·39
Bombay	16·28
Kerala	1·81
Madhya Pradesh	8·31
Madras	6·46
Mysore	4·45
Orissa	1·78
Punjab	8·11
Rajasthan	6·77
Uttar Pradesh	18·76
West Bengal	6·31
	100·00

The estimates take credit for Rs. 11 crores each year for the tax on railway fares, of which the share payable to States would be Rs. 10·89 crores each year as worked out below:—

	(In lakhs of Rs.) 1958-59 Revised	1959-60 Budget
Total—Gross collections	11,00	11,00
Deduct—Cost of collection	8	8
	10,92	10,92
Deduct—Portion attributable to Union territories (1/4%)	3	3
Net amount payable to States	10,89	10,89

The amount payable to each State has been shown in Statement IV.

Expenditure-Tax.—The Expenditure-Tax Act, 1957 as amended by the Finance Act 1959, provides for levy of expenditure-tax at the rates indicated below on the taxable expenditure incurred by assessees (Individuals and Hindu undivided families) and their dependants in the previous year, provided the net aggregate income of the assessee and his dependants after deduction of the other taxes payable on that income, exceeds Rs. 36,000.

In the case of every Individual and Hindu undivided family, on that portion of the taxable expenditure.

(*i*) which does not exceed Rs. 10,000	10%
(*ii*) which exceeds Rs. 10,000 but does not exceed Rs. 20,000	20%
(*iii*) which exceeds Rs. 20,000 but does not exceed Rs. 30,000	40%
(*iv*) which exceeds Rs. 30,000 but does not exceed Rs. 40,000	60%
(*v*) which exceeds Rs. 40,000 but does not exceed Rs. 50,000	80%
(*vi*) which exceeds Rs. 50,000	100%

In the revised estimates the revenue from this tax was estimated at Rs. 1 crore for 1958-59. The same estimate has been repeated for the next year also.

Gift Tax.—The Gift Tax Act, 1958, enacted this year provides for the imposition, for every financial year beginning on and from the 1st April, 1958, of a tax on gifts made during the previous year at the rates specified below:—

	Rate of gift tax.
(1) On the first Rs. 50,000 of the value of all taxable gifts	4%
(2) On the next Rs. 50,000 of the value of all taxable gifts	6%
(3) On the next Rs. 50,000 of the value of all taxable gifts	8%
(4) On the next Rs. 50,000 of the value of all taxable gifts	10%
(5) On the next Rs. 1,00,000 of the value of all taxable gifts	12%
(6) On the next Rs. 2,00,000 of the value of all taxable gifts	15%
(7) On the next Rs. 5,00,000 of the value of all taxable gifts	20%
(8) On the next Rs. 10,00,000 of the value of all taxable gifts	25%
(9) On the next Rs. 10,00,000 of the value of all taxable gifts	30%
(10) On the next Rs. 20,00,000 of the value of all taxable gifts	35%
(11) On the balance of the value of all taxable gift	40%

An *ad hoc* provision of Rs. 2 crores was assumed in the current budget. On the basis of latest trends, the realisations have been estimated at Rs. 1·2 crores in the current as well as in the next year.

Opium.—The details of opium revenue are as follows:—

(In lakhs of Rs.)

	1957-58 Accounts	1958-59 Budget	1958-59 Revised	1959-60 Budget
Sale in India—				
Sale of raw opium to State Governments	18·39	12·07	7·36	6·48
Sale of medical opium	2·72	3·30	3·30	3·86
Sale of alkaloids of opium	19·71	20·15	20·15	23·55
Sale to countries outside India—				
Sale of raw opium	243·91	247·13	292·52	354·05
Sale of alkaloids of opium	1·89	3·50	2·36	3·25
Miscellaneous	1·02	0·85	7·04	0·87
TOTAL	287·64	287·00	331·73	392·09
Deduct—Refunds	—0·17	..	—0·73	—0·06
Net Revenue	287·47	287·00	731·00	392·00

Larger sales to foreign countries account for the increase in both the years.

Interest Receipts.—The estimates are as follows:—

	1958-59 Budget	1958-59 Revised	1959-60 Budget
India	6,41	8,17	10,62
England	19	19	13
	6,60	8,36	10,75

The receipts in India are mostly on account of loans and advances made by the Central Government to Government servants, local bodies and private concerns including State owned companies and statutory undertakings like the Sindri Fertilisers and Chemicals Ltd., Indian Airlines Corporation, Hindustan Steel (Private) Ltd., etc., while those in England represent mainly the interest earnings on the investments of Silver Redemption Reserve. The estimates are based on the trend of actuals and the latest information available. The recoveries of interest on loans advanced to State Governments and Capital invested in Government commercial departments are adjusted in reduction of expenditore under Interest.

The increase this year is due mainly to the refund by the Railway Development Fund of interest over paid in previous years. This follows the reduction in the opening balance of the Fund, as on the date of partition which was made only this year. Further increase next year is due to the recovery of Rs. 3 crores as interest on loan to the Hindustan Steel (Private) Ltd., and Rs. 53 lakhs on account of arrear payments of interest by the Indian Airlines Corporation.

Civil Administration.—Details by major heads of account are given below:—

	1958-59 Budget	1958-59 Revised	1959-60 Budget
Administration of Justice	10	13	13
Jails	1	1	1
Police	35	51	63
Ports and Pilotage	41	32	32
Mercantile Marine	9	8	8
Light Houses and Light Ships	48	50	48
Education	32	69	35
Medical	29	26	28
Public Health	22	15	14
Agriculture	79	76	62
Animal Husbandry	18	22	23
Co-operation	2	7	5
Industries and Supplies	34,81	35,14	26,48
Aviation	90	1,02	93
Broadcasting	1,78	2,04	2,12
Miscellaneous Departments	3,49	3,73	2,95
TOTAL	44,24	45,63	35,80

The increase this year occurs under a number of heads of which Rs. 34 lakhs is due to the recovery of over payments of grants and scholarships under Education, Rs. 26 lakhs under Broadcasting, following increased receipts of radio licence fees, and Rs. 22 lakhs under Miscellaneous Departments mainly on account of receipts from the India 1958 Exhibition.

The decrease in the Budget as compared with the Revised occurs chiefly under Industries & Supplies and is attributable to the fall in the transfer of profits of the State Trading Corporation on cement transactions and less receipts on account of surcharge on iron and steel. Against the Revised of Rs. 6·83 crores in the current year, the profits on cement transactions to be transferred by the State Trading Corporation next year are estimated at Rs. 2·42 crores. The decrease in the profits of the Corporation on cement transactions next year is due to the abolition of the surcharge levied formerly by the Corporation following the increase in the excise duty on cement imposed this year. The surcharge on iron and steel recoverable from the manufacturers representing the difference between the equalised and retention prices is first credited as revenue receipts and an for which is made in the expenditure estimates. The surcharge recoverable is estimated next year at Rs. 16·16 crores against Rs. 19·47 crores this year.
this year.

Currency and Mint.—The main items that comprise Currency and Mint receipts are:—

(In lakhs of Rs.)

	1958-59 Budget	1958-59 Revised	1959-60 Budget
Currency :			
1. Surplus profits of the Reserve Bank	30,00·00	30,00 09	40,00·00
2. Value of one rupee note forms	99·85	79·58	90·94
3. Value of unclaimed currency notes, etc.	1·65	1·58	2·56
4. Otherr receipts from the Currency Note Press	1,35·45	95·92	1,15·68
Total	32,36·95	31,77·17	42,09·18
Mint :			
1. Transfer of a part of the profits outstanding under the suspense head "Profits on coinage"	..	..	10,00·00
2. Profits from currentcirculation of small coins	4,00·00	2,75·00	3,15·00
3. Miscellaneous Mint receipts	25·31	24·35	36·14
Total	4,25·31	2,99·35	13,51·14
GRAND TOTAL	36,62·26	33,76·52	55,60·32

Surplus profits of the Reserve Bank transferable to Government next year have been assumed at Rs. 40 crores as against Rs. 30 crores this year. The increase is due mainly to the larger earnings of the Bank following the conversion with effect from 1st July 1958 of Rs. 300 crores *ad hoc* treasury bills into a special issue of 4% Loan, 1973 and creation of further *ad hoc* treasury bills to replenish Government balances.

The decrease in both the years under "Other receipts from the Currency Note Press" is due chiefly to less orders from neighbouring countries for the printing of their currency notes.

Prior to 1956-57 the transactions relating to the coinage operations did not pass through the Consolidated Fund of India. The net profit on coins put into circulation during the year, representing the difference between the face value and the cost of their metallic content, was transferred to a suspense head "Profits from circulation of nickel, bronze and copper coins" out of which a stabilised sum of Rs. 45 lakhs plus the actual mint expenditure during the year was taken to Revenue. The net profits on quarternary rupee coins when they were put into circulation were like wise credited to the suspense head "Purchase and Sale of Silver".

The accounting procedure was changed with effect from 1st April 1956 in consultation with the Comptroller and Auditor General. The expenditure on purchase and acquisition of metal for coinage is now charged to Capital and when the coins are put into circulation the difference between their face value and the cost of their metallic contents is taken as Mint receipts. Similarly the difference between the face value and the metallic contents of the coins returned as unfit for re-issue and melted is treated as a loss and directly debited to the Revenue budget. It

was also decided that the balances under the two suspense heads referred to above may be transferred to a new suspense head "Profits on Coinage". The total balance outstanding under this suspense head is at present of the order of Rs. 50 crores and it has been decided that it should be transferred to Revenue in suitable instalments over a period of years. A beginning is being made next year by the transfer to revenue of a sum of Rs. 10 crores for which Budget assumes a credit of Rs. 10 crores under this head.

Against the budget provision of Rs. 4 crores, profit from small coins put into circulation is now estimated at Rs. 2·75 crores this year and Rs. 3·15 crores next year.

Other Sources of Revenue.—Details of receipts by major heads are:

(In lakhs of Rs.)

	1958-59 Budget	1958-59 Revised	1959-60 Budget
Land Revenue	52	57	54
State Excise Duties	1,66	1,62	1,56
Stamps	2,93	3,33	3,40
Forest	2,57	2,65	2,78
Registration	9	11	11
Taxes on Vehicles	34	39	42
Sales Tax	1,80	3,14	3,33
Other Taxes and Duties	49	1,69	1,75
Irrigation Works	1	..	..
Receipts in aid of superannuation	73	85	58
Stationery and Printing	29	30	30
Receipts from Road Transport Schemes	—4	9	8
Miscellaneous	7,47	13,40	11,88
Miscellaneous adjustments between the Union and States	6	6	6
Extraordinary Receipts	14,00	1,00	15,13
Receipts on account of Community Development Projects, National Extension Service, etc.	1	1	1
	32,93	29,21	41,93

The increase under Stamps in both the years is mainly due to larger printing of stamps of decimal coinage.

The revenue under Sales Tax pertains to the Union territories of Delhi and Himachal Pradesh and allows for improvement in collections including better realisations from the Central Sales Tax.

The increase under Other Taxes and Duties in both the years is due, chiefly to the provision of Rs. 114 lakhs this year and Rs. 120 lakhs next year on account of terminal tax in Delhi, the net proceeds of which are made over to the Delhi Corporation and other local bodies in accordance with the provisions of the Delhi Municipal Corporation Act.

The increase in the Revised under Miscellaneous is attributable mainly to large receipts from the sale proceeds of evacuee property (Rs. 40 lakhs), more transfer of balances held by the Custodians of Evacuee Property (Rs. 1·5 crores), refund by Bombay Government of subsidy overpaid to them in the earlier years (Rs. 1·4 crores) and refund of interest earned on the investment of balances held by the Custodian of Enemy Property (Rs. 1·35 crores). The decrease in budget next year is mainly due to the absence of non-recurring items accounted for in the current year, partly counter-balanced by the profit of Rs. 1·4 crores on State trading in sugar and Rs. 1·54 crores on account of the balance under the Sugar (Temporary Excise) Fund transferred to revenue on the closure of the Fund. The current year's budget included a provision of Rs. 14 crores as grant from U.S.A. under the P.L. 480 Programme. Revised this year and Budget next year assume a credit of Rs. 1 crore and Rs. 15 crores respectively on this account. In addition provision has been included next year for a further contribution of Rs. 13 lakhs from New Zealand for the All India Medical Institute.

Posts and Telegraphs.—The table below indicates how the net contribution of Rs. 5·38 crores this year and Rs. 4·2 crores next year has been arrived at:—

(In lakhs of Rs.)

	1958-59 Budget	1958-59 Revised	1959-600 Budget
Gross Receipts	63,64·00	66,36·00	69,24·00
Working Expenses	58,15·84	57,81·17	61,43·36
Net Receipts	5,48·16	8,54·83	7,80·64
Deduct—Interest	3,14·16	3,16·47	3,61·12
NET REVENUE	2,34·00	5,38·36	4,19·52

The broad details of the gross receipts are given below:—

Postage and Message Revenue—			
Sale of Stamps	31,24·50	32,39·80	33,89·70
Postal Receipts	4,03·45	4,87·50	4,68·48
Telegraph (including Radio) Receipts	2,57·35	2,64·42	2,64·47
TOTAL	37,85·30	39,91·72	41,22·65
Miscellaneous Revenues—			
Fees and other receipts	13·20	7·45	5·35
Postal Receipts (Receipts on account of Money Orders, etc.)	4,94·40	5,28·35	5,49·35
Telegraph (including Radio) Receipts (Rent of wires, instruments, etc.)	1,36·10	1,45·60	1,49·95
Telephone Receipts (Rent of telephones, telephone call fees, etc.)	19,35·00	19,62·88	20,96,70
TOTAL	25,78·70	26,44·28	28,01·35
TOTAL REVENUE RECEIPTS	63,64·00	66,36·00	69,24,00

Details of expenditure are given in Statement V.

Railways.—Until 1954-55 Railways used to pay to General Revenues a consolidated dividend of 4 per cent on the capital at charge on Railways, other than on unremunerative strategic lines. The Railway Convention Resolution, 1954, provides for the continuance of this arrangement upto 1959-60, subject to the following modifications:—

(a) On the element of over-capitalisation in the railway capital structure, which has been estimated at Rs. 100 crores approximately, only interest at the rates chargeable to commercial departments is payable, and

(b) On capital expended on new lines, a moratorium is allowed during the period of construction and 5 years thereafter; but from the 6th year after the opening of the lines to the traffic, the normal dividend of 4 per cent is payable, and, in addition, deferred interest is recoverable for the period of the moratorium at the rate chargeable to commercial departments from the net earnings on the lines.

The total dividend payable by Railways to General Revenues is estimated at Rs. 50·03 crores this year and Rs. 54·41 crores next year. Of this Rs. 43·63 crores this year and Rs. 48·43 crores next year have been taken in reduction of expenditure under 'Interest', the balance of Rs. 6·40 crores this year and Rs. 5·98 crores next year have been treated as contribution to Revenue. The decrease in the contribution is due chiefly to the increase in the average rate of interest chargeable to commercial departments from 3·39 per cent as originally assumed to 3·45 per cent in the Revised and 3·53 per cent in the Budget next year.

STATEMENT IV

Statement showing the State-wise distribution of Income-tax, Union Excise Duties, Additional Excise Duties, Estate Duty and Tax on Railway Passenger Fares

(In lakhs of Rs.)

State	Budget Estimates, 1958-59					Revised Estimates, 1958-59					Budget Estimates, 1959-60				
	Income tax	U. E. Duties	Additional Excise Duties	Estate Duty	Tax on Rly. Passenger Fares	Income tax	U. E. Duties	Additional Excise Duties	Estate Duty	Tax on Rly. Passenger Fares	Income tax	U.E. Duties	Additional Excise Duties	Estate Duty	Tax on Rly. Passenger Fares
Andhra Pradesh	6,25	2,77	2,84	18	81	6,15	3,14	2,82	19	97	6,38	3,24	2,88	21	97
Assam	1,88	1,02	1,02	4	25	1,85	1,16	1,02	5	30	1,92	1,19	1,04	5	30
Bihar	7,65	3,12	1,87	19	86	7,53	3,54	1,88	17	1,02	7,82	3,65	1,96	18	1,02
Bombay	12,29	3,59	10,84	41	1,49	12,11	4,07	10,86	44	1,77	12,56	4,20	10,99	49	1,77
Kerala	2,80	1,13	1,15	14	16	2,76	1,29	1,15	8	20	2,86	1,33	1,17	7	29
Madhya Pradesh	5,17	2,20	2,03	12	76	5,09	2,50	2,04	12	91	5,28	2,58	2,09	14	91
Madras	6,47	2,23	3,36	30	59	6,37	2,53	3,35	25	70	6,60	2,61	3,41	27	70
Mysore	3,96	1,92	1,34	11	41	3,90	2,18	1,34	13	48	4,04	2,25	1,38	14	48
Orissa	2,87	1,32	1,04	7	16	2,83	1,49	1,04	6	19	2,93	1,54	1,06	7	19
Punjab	3,26	1,35	2,16	9	74	3,21	1,54	2,18	8	88	3,33	1,59	2,22	10	88
Rajasthan	3,15	1,39	1,19	9	62	3,10	1,58	1,20	9	74	3,22	1,63	1,23	10	74
Uttar Pradesh	12,59	4,70	6,79	29	1,72	12,40	5,34	6,78	34	2,04	12,86	5,50	6,90	38	2,04
West Bengal	7,76	2,24	3,34	33	58	7,64	2,54	3,34	36	69	7,93	2,62	3,41	49	69
Jammu & Kashmir	87	52	50	2	..	86	59	50	2	..	89	60	51	2	..
TOTAL	76,97	29,50	39,47	2,38	9,15	75,80	33,49	39,50	2,38	10,89	78,62	34,53	40,25	2,71	10,89

(In thousands of Rupees)

	Telephones							Radios					Total		
	1958-59	Estimate, 1958-59	Budget Estimate, 1959-60	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60	Actuals, 1957-58	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Esrimate, 1959-60
		,02,15	34,33,03	6,73,77	6,62,91	6,80,88	6,80,87	..	..	..	..	7,23	6,19	8,69	8,75	36,70,70	37,85,30	39,91,72	41,22,65
		,34	5,29,97	5,51,00	1,50,45	1,38,33	1,43,71	1,49,26	18,38,96	19,37,96	19,66,70	20,98,84	4,62	2,07	3,90	2,25	24,92,21	25,78,70	26,44,28	28,01,35
		36,16,54	38,32,12	39,84,03	8,24,22	8,01,24	8,24,59	8,30,13	18,38,96	19,37,96	19,66,70	20,98,84	11,85	8,26	12,59	11,00	61,62,91	63,64,00	66,36,00	69,24,00
. .	30,61	33,37	38,44	46,29	83,02	86,15	64,08	67,12	1,52,29	1,91,83	1,61,18	1,75,24	5,02	8,92	5,80	6,55	2,70,94	3,20,27	2,69,50	2,95,20
. . . .	91,09	91,23	97,17	1,02,45	28,73	31,32	28,57	30,92	18,36	18,82	19,40	20,49	1,47	1,48	1,47	1,58	1,39,65	1,42,85	1,46,61	1,55,44
. . . . .	81,47	98,26	88,20	92,31	17,76	18,18	18,18	18,66	14,39	14,42	13,95	15,61	67	82	82	85	1,14,29	1,31,68	1,21,15	1,27,43
Office	..	..	..	..	1,46,96	1,62,11	1,59,70	1,69,25	48,66	53,84	53,05	56,63	6,43	7,11	7,05	7,52	2,02,05	2,23,06	2,19,80	2,33,40
Expenses	1,55,85	1,68,62	1,73,88	1,82,07	39,38	41,90	42,37	44,22	40,58	44,63	43,44	46,61	1,86	2,03	2,34	2,18	2,37,67	2,57,18	2,62,03	2,75,08
Pensionary Charges	2,80,60	2,56,88	2,75,05	2,91,71	23,71	27,59	25,89	27,34	14,10	10,41	16,13	16,85	1,44	1,65	1,66	1,75	3,19,85	2,96,53	3,18,73	3,37,65
Stamps, Postcards, Printing and Stationery	41,34	46,65	46,36	49,05	67,43	78,29	79,69	85,46	1,74,96	2,07,61	2,06,26	2,19,54	3,69	4,94	5,18	5,42	2,87,42	3,37,49	3,37,49	3,59,47
Maintenance of Assets	32,36,33	33,31,36	33,26,93	34,52,13	..	..	..	..	..	..	..	..	..	..	..	..	32,36,33	33,31,36	33,26,93	34,52,13
Postal Expenses (including cost of combined offices)	..	..	..	..	2,71,93	2,90,51	2,88,65	2,98,95	..	..	..	..	..	..	..	..	2,71,93	2,90,51	2,88,65	2,98,95
Telegraph Traffic Expenses (excluding cost of combined offices)	..	..	..	..	..	..	..	..	..	..	..	..	14,95	17,18	16,81	17,97	14,95	17,18	16,81	17,97
Rodio Expenses	..	..	..	..	..	..	..	..	5,44,29	6,27,25	6,15,35	6,82,80	..	..	..	..	5,44,29	6,27,25	6,15,35	6,82,80
Telephone Expenses	..	..	..	..	..	..	..	..	1,43,00	1,43,00	1,68,00	2,03,00	2,00	2,00	2,00	2,00	2,50,00	2,50,00	2,50,00	3,25,00
Contribution to Renewals Reserve Fund .	45,00	45,00	10,00	20,00	60,00	60,00	70,00	1,00,00	65,91	65,00	75,00	70,00	..	..	..	..	65,91	65,00	75,00	70,00
Contribution to Telephone Development Fund	..	..	..	..	..	..	..	..	(+)96,93	(+)96,04	(+)1,09,96	(+)1,09,95	(—)18,00	(—)13,06	(—)20,32	(—)20,44	..	..	..	...
Inter-Branch Adjustments . . .	(—)99,81	(—)98,06	(—)1,03,90	(—)1,04,80	(+)20,88	(+)15,08	(+)14,26	(+)15,29	13,13,47	14,72,85	14,81,72	16,16,72	19,53	33,07	22,81	25,38	59,55,28	62,90,36	62,48,05	66,30,52
TOTAL . .	38,62,48	39,73,31	39,52,13	41,31,21	7,59,80	8,11,13	7,91,39	8,57,21	1,62,46	2,02,11	2,03,08	2,05,58	1,50	4,93	2,64	2,16	4,37,40	4,74,52	4,66,88	4,87,16
Deduct—Credits to Working Expenses .	1,92,81	1,89,67	1,99,16	2,06,81	80,63	77,81	62,00	72,61	11,51,01	12,70,74	12,78,64	14,11,14	18,03	28,14	20,17	23,22	55,17,88	58,15,84	57,81,17	61,43,36
Net Working Expenses	36,69,67	37,83,64	37,52,97	39,24,40	6,79,17	7,33,32	7,29,39	7,84,60	1,50,13	1,69,57	1,74,68	2,00,92	3,23	4,94	4,32	5,35	2,74,21	3,14,16	3,16,47	3,61,12
Interest on Debt	17,69	27,82	24,02	27,45	1,03,16	1,11,83	1,13,45	1,27,40	13,01,14	14,40,31	14,53,32	16,12,06	21,26	33,08	24,49	28,57	57,92,09	61,30,00	60,97,64	65,04,48
GRAND TOTAL .	36,87,36	38,11,46	37,76,99	39,51,85	7,82,33	8,45,15	8,42,84	9,12,00	(—)81,87	(+)5,37,82	(+)4,97,65	(+)5,13,38	(+)4,86,78	(—)9,41	(—)24,82	(—)11,90	(—)17,57	(+)3,70,82	(+)2,34,00	(+)5,38,36	(+)4,19,52
Profit (+) or loss (—) . . .	(—)1,99,48	(—)1,94,92	(+)55,13	(+)32,18	(+)41,89	(—)43,91	(—)18,25													

ESTIMATES OF EXPENDITURE MET FROM REVENUE

As explained in paragraph 6 of the Introductory Note, the Demands for Grants are for the actual expenditure exclusive of recoveries taken in the accounts in reduction of expenditure. A broad reconciliation of the gross expenditure provided in the Demands and the net amount shown in the Annual Financial Statement is given below.

(In lakhs of Rs.)

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Total gross expenditure met from Revenue as shown in the demands for grants	1066,27·96	1051,92·57	1116,78·46
Deduct—			
(*a*) Recoveries (shown in Annexure X) adjustable in reduction of gross expenditure and taken into account in working out the net expenditure shown in Statement I	194,62·25	186,38·89	191,46·83
(*b*) Receipts of the Defence Services taken into account in working out the net expenditure on Defence Services shown in Statement I	13,65·34	15,65·38	20,29·41
(*c*) "Working Expenses" of commercial departments taken in reduction of gross revenue shown in Statement I—			
(*i*) Posts and Telegraphs	58,15·84	57,81·17	61,43·36
(*ii*) Road Transport Schemes	61·48	64·35	68·33
(*iii*) Electricity Schemes	8·37	11·44	11·59
(*d*) Interest payable by Posts and Telegraphs Department and included in working out the net earnings of that Department shown in Statement I	3,14·16	3,16·47	3,61·12
TOTAL—DEDUCTION	270,27·44	263,77·70	277,60·64
Total expenditure shown in Statement I of this memorandum and on Page 3 of the "Budget of the Central Government" (Annual Financial Statement)	796,00·52	788,14·87	839,17·82

A Summary of the Expenditure Estimates by broad categories is given in Statement I at the commencement of this Section. Further details by heads of account together with brief notes explaining the variations between the current budget, the revised estimates and the next budget are given in the notes below.

As explained earlier, these figures do not agree with those shown in the individual Demands. This is due to two factors. In the first place, in most cases, the same Major Head appears in more than one Demand and secondly, while recoveries are taken in the accounts in reduction of expenditure, the figures in the Demands are for gross expenditure excluding recoveries.

DIRECT DEMANDS ON REVENUE

The expenditure under this group head is mostly on tax collection by the Union and in respect of Union Territories. But under certain heads provision is made for other expenditure also. Thus, the share of Union Excise Duties payable to State Governments under Article 272 of the Constitution is shown as expenditure on Union Excises. Similarly payments of certain taxes collected on behalf of the Delhi Corporation are shown as expenditure under the head corresponding to such taxes. Details by heads of account are given below:—

(In lakhs of Rs.)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Customs	4,16	3,85	3,97
Union Excise Duties	74,65	78,65	78,44
Corporation Tax	1,31	1,23	1,35
Income Tax	3,80	3,56	3,81
Estate Duty	10	10	11
Taxes on Wealth	14	22	24
Tax on Railway Fares	5	8	8
Expenditure Tax	3	2	2
Gift Tax	..	5	5
Opium	2,42	2,70	3,10
Land Revenue	42	41	51
State Excise Duties	49	50	50
Stamps	2,39	2,60	2,83
Forest	4,08	3,84	4,73
Registration and other Taxes and Duties	15	1,55	1,62
Taxes on Vehicles	26	27	29
TOTAL—Direct Demands on Revenue	94,45	99,63	1,01,65

Customs.—The fall in the Revised is due mainly to non-utilisation to the extent anticipated the provision for purchase of launches for customs work at outports. The increase next year reflects the normal growth of expenditure.

Union Excise Duties.—The broad details are:—

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
States' share of ordinary duties	29,50	33,49	32,38
States' share of additional duties on sugar, textiles and tobacco	39,47	39,50	40,02
Other expenditure	5,68	5,66	6,04
TOTAL	74,65	78,65	78,44

The increase in the Revised is due to larger payments to States as their share of basic Union excises following increased realisations of duties and payment of arrears relating to earlier years. The increase, next year, reflects normal expansion.

Corporation Tax, Income Tax, Estate Duty, Taxes on Wealth, Taxes on Railway Fares, Expenditure Tax and Gift Tax.—The saving in the Revised is mainly due to vacancies in the Income-tax Department. Budget next year provides for normal growth and additional staff for tax collection.

Opium.—Larger payments to cultivators for purchase of opium account for increase in both the years. These would be covered by larger sales to foreign countries for which credit has been taken in the Revenue estimates.

Land Revenue.—Provision made is for expenditure on Land Revenue Establishments in the Union Territories. The increase next year is due mainly to the provision for survey operations in Tripura area.

Stamps.—The increase in both the years is due to larger purchases of stores by the India Security Press to meet the increased demands for its products but this would be covered by the additional revenue from their sale proceeds.

Forest.—The saving in the Revised is due to slower progress of forest development schemes. Larger provision for grants to States for forestry schemes and more expenditure in Andaman and Himachal Pradesh explain the increase next year.

Registration and Other Taxes and Duties.—The increase in the Revised and next year is due mainly to the provision for payment of the net proceeds of the Terminal, Entertainment and Betting taxes to the Delhi Municipal Corporation.

IRRIGATION

The expenditure is on minor works in the Union Territories. The details of the provision are:—

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
Irrigation	13	16	16
TOTAL	13	16	16

DEBT SERVICES

Details by heads of account of the expenditure brought to account in this Section are given below:—

(In lakhs of Rupees)

Heads	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
Interest on Debt and Other Obligations	35,00	37,06	52,88
Appropriation for reduction or avoidance of debt	5,00	5,00	5,00
TOTAL	40,00	42,06	57,88

Interest on Debt and Other Obligations.—The broad details are:—

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
Rupee Loans	56,56	61,31	75,47
Sterling Loans	10	36	65
Other Loans	6,79	6,80	11,68
Floating Debt	33,00	29,75	33,80
Unfunded Debt—			
(Provident Funds, Post Office Savings Bank, National Plan Savings Certificates, etc.)	29,91	29,96	34,11
Railway Funds	4,62	3,53	3,30
Other Items	3,45	4,22	4,21
TOTAL GROSS	134.43	135,93	163,22

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
Deduct Recoveries—			
(*a*) From Railways	42,54	43,62	48,43
(*b*) From States	50,10	48,36	54,21
(*c*) From other Commercial Departments	6,79	6,89	7,70
TOTAL RECOVERIES	99,43	98,87	110,34
TOTAL NET EXPENDITURE	35,00	37,06	52,88

Rupee Loans.—The budget this year had assumed a new market loan of Rs. 145 crores. The actual realisations from market loans this year have, however, amounted to Rs. 202·41 crores. In addition *ad hoc* Treasury Bills held by the Reserve Bank in its Issue Department of the value of Rs. 300 crores were converted on 1st July 1958 into a further issue of 4% Loan, 1973 which was taken over by the Bank and is not intended to be placed on the market. Both these factors explain the increased requirement for payment of interest on Rupee Loans, this year.

The next year's Estimates assume the issue of a new market loan of Rs. 225 crores. The increase in interest on Rupee Loans next year reflects the effect of the increase in borrowings and full year's provision for the payment of interest on the conversion of *ad hoc* Treasury Bills mentioned earlier.

Sterling Loans.—The increase in both the years is due to the provision for payment of interest on loans from Messrs. Lazard Bros. Ltd., London, for the Durgapur Steel Plant.

Other Loans.—The increase next year is mainly on account of interest to be paid on the loans from the International Bank for Reconstruction and Development. The details are:—

(In lakhs of Rupees)

Heads of Expenditure	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Interest on Dollar Loan from I.B.R.D.	2,88	3,42	7,05
Interest on American Wheat Loan	2,23	1,12	..
Interest on Other American Loans	86	86	2,08
Interest on Cost of Steel Plant and Equipment received from U.S.S.R.	82	88	1,33
Interest on Canadian credit for purchase of wheat	..	50	55
Interest on U.S. EXIMBANK credit	..	2	56
Interest on Japanese EXIMBANK credit	..	..	11
TOTAL	6,79	6,80	11,68

Floating Debt.—The saving of Rs. 3·25 crores in the Revised is due to the conversion of *ad hoc* Treasury Bills into a regular loan referred to earlier but this is counter-balanced by a corresponding increase under interest on Rupee Loans. The increase of Rs. 4·05 crores next year is attributable to the expansion of Treasury Bills to cover the overall deficit in both the years.

Unfunded Debt.—The increase next year reflects larger payments of interest on the growing balances under State Provident Funds, National Plan Savings Certificates, Treasury Savings Deposit Certificates etc.

Railway Funds.—The decrease in both the years is due to larger withdrawals from the Railway Development Fund for expenditure on works for the provision of amenities to passengers and other Railway users including labour welfare works.

Other Items.—Increase this year is due to larger provision for payment of commission to authorised agents for the sale of 12 year National Plan Savings Certificates and 10 year Treasury Savings Deposit Certificates (Rs. 10 lakhs) and adjustment of arrear payments of Income Tax, Super Tax and Wealth Tax on the investments in Nizam's Trusts for which credit has been assumed under the corresponding revenue heads by debit under Interest (Rs. 41 lakhs). Investments in Nizam's Trusts carry a concessional interest of 1% per annum and it was agreed at the time the Trusts were set up that interest earned on them would be exempt from Income Tax, Super Tax, etc.

Recoveries.—

(a) *From Railways.*—A part of the increase in both the years is due to the increase in the average rate of interest chargeable from the Government Commercial Departments. The average rate is determined on the basis of the total interest payable on all outstanding Rupee Loans, including the annual write back to Revenue of the discount paid on Loans floated in earlier years and the cost of management of Public Debt. At the time of the original Budget, the average rate assumed was 3·39%. Due to the conversion of *ad hoc* Treasury Bills of the value of Rs. 300 crores into a further issue of 4% Loan, 1973 and the progressive increase in interest rates, the average rate has gone up to 3·45% this year and 3·53% next year.

Further increase next year reflects the increase in capital investment on Railways.

(b) *From States.*—Following the recommendations of the Second Finance Commission, the rates of interest on loans advanced to the State Governments, upto the end of 1957-58, were reduced and standardized towards the middle of February 1958. This explains the reduced recovery

on account of interest in the Revised. While the terms of loans to states for industrial and commercial enterprises and for industrial housing remain unaltered, loans for electricity undertakings and for extension of power facilities carry interest of 4% per annum. All other loans are at 3% per annum only. These concessions, however, apply to the loans to the States sanctioned upto the end of 1957-58. Pending further consideration, the loans sanctioned this year carry the normal rates of interest which follow generally the redemption yields of Government of India market loans of a corresponding maturity.

(c) *From Other Commercial Departments.*—Apart from the increase in the average rate of interest to which a mention has been made earlier, the increase in both the years is due to the recovery of interest on the loans of Rs. 10·98 crores this year and Rs. 10·88 crores next year to be advanced to the Railway Development Fund. The Railway Development Fund is fed from the Railway surplus and is utilized for expenditure on works for the provision of amenities to passengers and other users including labour welfare works etc. The Railway Convention Committee had recommended in 1954 that as and when the Fund was not in a position to meet the programme of expenditure chargeable to it from its own resources, monies should be advanced from the general revenues as temporary loans, bearing interest at the average rate chargeable to Commercial Departments. Provision has accordingly been made this year and the next year for the loans to the Fund. These loans will be re-paid from accretions to the Development Fund in future years.

Appropriation for Reduction or Avoidance of Debt.—The usual provision of Rs. 5 crores has been made in both the years for which a corresponding credit is taken under the deposit head "Appropriation for Reduction or Avoidance of Debt—Other Appropriations".

CIVIL ADMINISTRATION

The expenditure brought to account under this group head can be classified into two categories, expenditure on purely Administrative Services and expenditure on Social and Developmental Services. Broadly, the expenditure recorded under the major heads "General Administration" to "External Affairs" is on administrative and ancillary services and except to a limited extent, in the case of Tribal Areas, where some expenditure on social and developmental activities is also included, it is mostly on the day to day running of the administration at the Centre and in the Union Territories other than on tax collection which is recorded under the group head Direct Demands on Revenue. Expenditure accounted for under the major heads "Scientific Departments" to "Miscellaneous Departments" generally covers outlay on what may compendiously be described as Social and Developmental Services. Most governmental expenditure on health, education, scientific research, agriculture, animal husbandry, scientific surveys, industries and co-operation, whether incurred direct or by way of grants to State Governments and outside bodies is brought to account in this Section. In addition to direct expenditure, payments of certain cesses to outside authorities and authorised

transfers of revenue to *ad hoc* Funds and bodies are also accounted for here. Details are given below:—

(In lakhs of Rupees)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Administrative Services—			
General Administration	16,34	16,20	16,13
Audit	7,26	7,18	7,65
Administration of Justice	42	44	44
Jails	14	14	14
Police	8,27	8,25	8,92
Ports and Pilotage	46	38	44
Mercantile Marine	61	60	68
Lighthouses and Lightships	48	50	48
Tribal Areas	9,41	10,79	11,31
External Affairs	7,50	7,50	8,37
TOTAL	50,89	51,98	54,56
Social and Developmental Service—			
Scientific Departments	17,79	17,09	23,27
Education	29,63	28,23	38,12
Medical	6,15	5,55	6,93
Public Health	9,88	9,65	10,00
Agriculture	13,87	13,54	14,18
Rural Development	85	87	1,09
Animal Husbandry	1,53	1,36	2,3
Co-operation	1,39	2,20	2,83
Industries and Supplies	46,16	45,09	44,80
Aviation	3,25	3,32	3,60
Broadcasting	3,74	3,87	4,156
Miscellanous Departments	15,31	14,97	16,67
TOTAL	1,49,55	1,45,74	1,68,19
Total—Civil Administration	2,00,44	1,97,72	2,22,73

General Administration

The decrease of Rs. 14 lakhs this year and Rs. 7 lakhs next year is the net effect of variations spread over a large number of items. The Budget, next year allows for the normal increase in expenditure but this is neutralised by savings of Rs. 88 lakhs on account of payments to the States of the Government of India's share of expenditure on Elections.

Audit

Normal expansion and full year's provision for the audit and accounting of Jammu and Kashmir State transactions taken over by the Comptroller and Auditor General of India, this year, explain the increase, next year.

Police

The increase next year is mainly on account of larger payments to State Governments, more expenditure in Union Territories and charges payable to the Defence Department for garrisoning of certain border areas.

Mercantile Marine

The increase next year is on account of the subsidy to the Shipping Development Fund and payments for training at Naval Dockyard.

Tribal Areas

The excess of Rs. 138 lakhs in the Revised is due mainly to the decision not to recover the cost of battalions of Assam Rifles deployed in the Naga Tuensang Area. The cost of the battalions would now remain a final debit in the Budget of the North East Frontier Agency. Budget next year allows for normal growth and provides Rs. 1·3 crores and Rs. 86 lakhs for the economic development of the North East Frontier Agency and the Naga Hill-Tuensang Area respectively.

External Affairs

Larger contributions to the U.N.O. mainly on account of India's share of the expenditure on the United Nations Expeditionary Force and increase in the subsidy to Sikkim and Bhutan account for the excess next year.

Scientific Departments.—The details are as follows:

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
(*i*) Survey of India	94	90	96
(*ii*) Botanical Survey	13	12	15
(*iii*) Zoological Survey	12	9	11
(*iv*) Geological Survey	1,32	1,19	2,14
(*v*) Archaeology	1,10	1,04	1,07
(*vi*) Meteorology	1,52	1,46	1,54

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget 1959-60
(*vii*) Atomic Energy Research	3,04	2,94	4,27
(*viii*) Oil and Natural Gas Commission	2,18	1,74	3,39
(*ix*) Chief Inspector of Mines	23	18	22
(*x*) Scientific Research—			
(*a*) Grants to C.S.I.R.	2,50	2,90	3,45
(*b*) Grants to States for Scientific and Technical Education	63	71	2,15
(*c*) Other expenditure on Scientific Research	3,58	3,40	3,23
(*xi*) Other Items (Bureau of Mines and Delhi Zoo)	50	42	59
	17,79	17,09	23,27

The saving this year occurs mostly under Oil and Natural Gas Commission and is due to less drilling operations than originally envisaged. The budget provides for the expansion programme of the Geological Survey, Atomic Energy Research and Oil and Natural Gas Commission.

Education.—The decrease in the Revised is mainly due to savings of Rs. 2·71 crores under Grants to States and Other Parties for Educational Schemes and less expenditure on Education in Union territories (Rs. 1·11 crores), partly counterbalanced by an additional provision of Rs. 2·11 crores for Grants to the University Grants Commission. The budget next year includes Rs. 7·59 crores for grants to the University Grants Commission, Rs. 16·18 crores for grants to States for primary, basic, secondary and other education, Rs. 3·76 crores for expenditure on education in Union territories, Rs. 2·71 crores for grants to the Technological Institute at Kharagpur, Bombay, Kanpur and Madras and Rs. 2·24 crores for scholarships to students of Scheduled Castes, Backward Tribes etc.

Medical

Transfer of certain hospitals and dispensaries in Himachal Pradesh, Manipur and Tripura to the Territorial Councils and in Delhi to the Delhi Municipal Corporation accounts for the saving in the Revised. Provision for the overall grants payable to the Territorial Councils is made under the head "Miscellaneous." Besides normal growth, the Budget next year provides for the grant of Rs. 80 lakhs to the Government of Bombay for the setting up of full time teaching units in the medical colleges.

Public Health

The saving in the Revised is due chiefly to the transfer of responsibility for public health measures to the Territorial Councils in Himachal Pradesh, Tripura and Manipur and in Delhi to the Delhi Municipal Corporation. The increase next year is due to larger provision for the eradication of malaria and filaria and other public health purposes, counterbalanced by decrease in the grants for health centres in National Extension Service Blocks.

Agriculture

The Revised shows a saving of Rs. 33 lakhs. This is mainly composed of savings of Rs. 19 lakhs and Rs. 25 lakhs under the Schemes of Indian Agricultural Research Institute and Indian Council of Agricultural Research respectively, partly set off by larger payments of Rs. 13 lakhs to the Committees on account of cesses on cotton, copra, lac and oil-seeds, following increased collections.

The next Budget exceeds the Revised by Rs. 64 lakhs which is mainly accounted for by increased grants to States for agricultural purposes (Rs. 30 lakhs) and larger expenditure in Union territories mainly, Himachal Pradesh on agricultural operations (Rs. 27 lakhs).

With effect from next year, the scope of this head has been confined to schemes for the development of agriculture proper, and provision for schemes relating to animal husbandry has been transferred to the head 'Animal Husbandry'.

Rural Development

Larger provision for grants to States for training of village level workers and resettlement of landless workers including grants for training in home science explains the increase next year.

Animal Husbandry

With effect from next year, the nomenclature of this head has been changed from 'Veterinary' to 'Animal Husbandry' as mentioned earlier under 'Agriculture', the scope of the head has also been extended to include items formerly adjusted under 'Agriculture' such as grants for gosadan schemes, poultry development, goshala development, rehabilitation of nomadic cattle, development of sheep and wool, piggeries etc.

Savings this year are due to less expenditure in Union territories, mainly Himachal Pradesh, and smaller requirements of the Indian Veterinary Research Institute.

Co-operation

The increase this year is due to the payment of a grant of Rs. 60·29 lakhs to the Government of West Bengal for the rehabilitation of co-operative banks which suffered losses as a result of Partition. A part of the increase is also due to the payment of grants to States for the development of co-operation schemes included in the State Plans. The increase in the grant to the National Co-operative Development and Warehousing Board from Rs. 1 crore in the current year to Rs. 2 crores, explains the increase in the Budget, next year.

Industries and Supplies

The Revised shows a saving of Rs. 1·07 crores. This is due to less payment to the Indian Tea Board resulting from smaller collections of cess on Tea (Rs. 39 lakhs), decrease in the requirements for conversion of handlooms into power-looms (Rs. 15 lakhs), lesser grant to National Small Industries Corporation (Rs. 27 lakhs) and savings under Salt due to the formation of the Hindustan Salt Co. and the transfer of the salt works at Sambhar, Kharagoda, Didwana to the new Company (Rs. 87 lakhs). The

Budget this year included a provision of Rs. 87 lakhs for contribution to the Fund for the Development of Handloom and Khadi Industries for meeting its deficit. Due to larger recoveries of loans and other income accruing to the Fund, no contribution is required this year. The saving of Rs. 87 lakhs is being utilised for a corresponding increase in the provision for the development of Ambar Charkha which now stands at Rs. 3·57 crores this year.

The provision next year shows a saving over the current Revised of Rs. 29 lakhs. This is composed of saving of Rs. 87 lakhs under Salt due to the transfer of the three Salt works to the new Company mentioned earlier and Rs. 3·31 crores in the provision for the transfer of surcharge to the Iron and Steel Equalisation Fund. These savings however would be neutralised largely by an increase of Rs. 2·33 crores for the development of Ambar Charkha programme for which the total provision next year would be Rs. 5·9 crores and increase under a large number of heads of which the important ones are Rs. 25 lakhs for the transfer of Tea cess, Rs. 23 lakhs for the Small Industries Service Institutes, Rs. 11 lakhs each for Union Territories and Overseas Communication Service and Rs. 10 lakhs for the Small Scale Industries.

The saving of Rs. 3·31 crores for transfer to the Iron and Steel Equalisation Fund is due to less recovery of surcharge on iron and steel transactions expected next year. As has been explained in the Notes on Revenue Estimates, credit is assumed under Revenue for the surcharge recoverable from the manufactures representing the difference between equalised and retention prices of iron and steel. Provision is made in the expenditure estimates, under this head, for the transfer of an equivalent amount to the Steel Equalisation Fund which is mainly utilised for subsidising imports of iron and steel, granting advances to main producers for development and fixing uniform prices for the sale of iron and steel. Provision is also made in the Grant for the expenditure met from the Fund which is simultaneously shown as recovered from the Fund. Against the Budget provision of Rs. 27·82 crores the expenditure to be met from the Fund this year is estimated at Rs. 21·66 crores and next year at Rs. 8·16 crores.

Aviation.—The increase next year is due to the provision for payment of a subsidy of Rs. 15 lakhs to the Airlines Corporation and larger provision for works connected with aeronautical communication services.

Broadcasting.—Payment of arrears of rent of office buildings and adjustment of debits for material and equipment, ordered earlier but received this year, account for the increase in the Revised. The provision next year allows for normal growth and larger expenditure on the maintenance of transmitters.

Miscellaneous Departments.—The saving of Rs. 34 lakhs in the Revised is the net effect of variations under a large number of items. Of the main savings, Rs. 40 lakhs are in respect of the Emergency Relief Scheme for purchase of stores and equipment for Civil Defence purposes, Rs. 43 lakhs for grants to States for Statistical purposes and Rs. 17 lakhs and Rs. 15 lakhs in respect of the requirements of the Films Division and the Directorate of Advertising and Visual Publicity, respectively, of the Ministry of Information and Broadcasting. The main increases are, Rs. 38 lakhs under Trade Demonstrations and Propaganda by the Ministry of Commerce and Industry, Rs. 40 lakhs for grant to the Indian Statistical Institute and Rs. 32 lakhs for transfer of the net proceeds of the cess to the Coal Mines Labour Housing and General Welfare Fund.

The budget next year exceeds the Revised by Rs. 1·7 crores. Of the important increases, Rs. 62 lakhs are for the Tourist Organisation, which formerly used to be provided for under the heads "General Administration" and "Miscellaneous", Rs. 25 lakhs for the payment of the net proceeds of the excise duty on coal and coke to the Coal Board, Rs. 20 lakhs for the various organisations of the Ministry of Commerce and Industry, Rs. 19 lakhs for the Indian Institute of Sugar Technology, formerly accounted for under "Agriculture" and Rs. 46 lakhs for the organisations of the Ministry of Information and Broadcasting, mainly, Press Information Bureau, Films Division and Directorate of Advertising and Visual Publicity.

CURRENCY AND MINT

The expenditure on the running of the Currency Note Press and the Mints is recorded here. The loss on destruction of un-current coins is treated as part of the expenditure of the Mints. Details are given below:—

(In lakhs of Rs)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Currency	3,73	3,41	3,95
Mint	4,77	5,73	5,88
TOTAL	8,50	9,14	9,83

Currency.—Smaller demands for one rupee notes and savings in the requirements of the Currency Note Press account for the decrease in the Revised. The budget next year includes Rs. 60 lakhs for the first instalment of the write back to revenue of the payment made to the Reserve Bank for the replacement by Indian currency of Osmania Sikka currency, since demonetised. The initial payment to the Bank was debited to the head "Capital Outlay on Currency" and it has been decided, in consultation with the Comptroller and Auditor to write this back to revenue over a period of 15 years.

Mint.—Mint expenditure proper this year shows a decrease of Rs. 22 lakhs, but this is offset by a large increase of Rs. 118 lakhs on account of loss on destruction of coins. This arises from the decision taken this year, with a view to conserve foreign exchange, to melt nickel rupees withdrawn from circulation and release the metal for decimal coinage. The loss, however, is a write back of the profit representing the difference between the face value and the metallic contents of the coins at the time they were put into circulation.

The budget next year includes Rs. 2·1 crores for Mint expenditure and Rs. 3:78 crores for loss on destruction of coins.

CIVIL WORKS

The expenditure is mostly on the maintenance of national highways, roads in Union Territories and certain other roads which are maintained by the Central Government and Government buildings, including cost of construction of minor works. The transfer of part of the revenue from the Customs and Excise Duties on motor spirit to the Central Road Fund is also treated as Civil Works expenditure. This group head also records revenue expenditure on multipurpose river schemes including investigation of such schemes, flood control works etc. Details are given below:—

(In lakhs of Rs.)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Civil Works	17,76	17,49	18,29
Multi-purpose River Schemes	90	79	1,01
Electricity Schemes	5	4	5
TOTAL	18,71	18,32	19,35
Civil Works.—The broad details are:			
1. Block Grant for the Central Road Fund	4,00	3,30	3,60
2. *Civil Works*--			
(*i*) Original Works	1,66	1,25	1,05
(*ii*) Maintenance and Repairs	3,15	3,42	3,52
(*iii*) Establishment	70	99	88
(*iv*) Suspense	19	71	1,33
(*v*) Grants in aid	1,81	1,38	1,06
(*vi*) Other Items	21	32	21
TOTAL—CIVIL WORKS	7,72	8,07	8,05
3. *Communications*—			
(*i*) Maintenance of National Highways	4,60	4,60	4,75
(*ii*) Maintenance of Other Roads	60	72	80
(*iii*) Repayment of Capital Grants for State Roads	70	67	88
(*iv*) Other Items	14	13	21
TOTAL—COMMUNICATIONS	6,04	6,12	6,64
GRAND TOTAL	17,76	17,49	18,29

The block grant for the Central Road Fund is now expected to be Rs. 70 lakhs less than the original budget due mainly to the decrease in the realisation of import duty on motor spirit and adjustment of over-payment in previous years. This is, however, partly counterbalanced by increased cost of maintenance and repairs of public buildings and larger provision for stores and material for works executed by the Central Public Works Department. The increase next year occurs mainly under the block grant for Central Road Fund (Rs. 30 lakhs), maintenance of national highways and other roads (Rs. 23 lakhs) and repayment from revenue of grants to States for development of State roads of economic or inter-State importance (Rs. 21 lakhs). Grants to States for development are initially capitalised but the expenditure is written back to revenue over a period of 15 years.

Under the Public Works system of accounts, the cost of materials and stores acquired for a particular work is required to be debited to the final head of account or the accounts of the work concerned. In case of stores etc., for the general requirements of the Department, the cost is initially debited to a "Suspense" head which is cleared as and when the stores are issued by debit to the accounts of the works concerned. In the estimates, provision for stores for the general requirements of the Public Works Department is thus made under the minor head "Suspense" subordinate to the head "Civil Works", but this has hitherto been split up into "charged" and "voted" categories according as the stores are required for use on buildings the cost of which is "charged" on the Consolidated Fund of India or other buildings. Since the ultimate destination of these stores is not known at the time the stores are acquired, it has been decided in consultation with Audit that the cost of acquisition of such stores debitable to the "Suspense" head should be treated as "voted" in all cases. This change in classification is being brought about with effect from the year 1959-60.

Multi-purpose River Schemes.—The saving this year occurs mainly under expenditure on flood control measures. The increase next year is due to larger provision for investigation of multi-purpose river schemes.

MISCELLANEOUS

Details by major heads of account are given below. Transactions of the Civil Departments which cannot be brought to account under any other descriptive major head are adjusted under the head "Miscellaneous".

(In lakhs of Rs.)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Famine	..	4	
Territorial and Political Pensions	22	21	25
Privy Purses	5,47	5,47	5,42
Superannuation and Retired Allowances	3,71	3,84	3,96
Stationery and Printing	2,57	2,95	2,66
Miscellaneous	68,24	79,58	88,33
TOTAL	80,21	92,09	1,00,02

Superannuation and Retired Allowances.—Provision is made for the likely payments of pensions and gratuities in both the years on the trend of latest actuals and other information available to the Accounts Officers.

Stationery and Printing.—Larger demands of the Government Departments for paper and stationery stores and increase in the price of paper account for the additional requirement this year. Budget follows the Revised generally after making some allowance for economy in the use of paper and stationery.

Miscellaneous.—The broad details are as follows:

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
1. Assistance to States for relief of damage due to natural calamities	5,00	5,00	5,00
2. Grants for Social Welfare	1,75	1,50	2,00
3. Grants for the Welfare of Backward Classes	5,02	4,22	7,82
4. Grants to States towards raising the emoluments of low-paid employees	6,00	12,00	14,45
5. Food subsidy to Jammu and Kashmir Government	1,25	1,25	75
6. Pondicherry	2,77	2,43	2,53
7. Resettlement and Employment	3,46	3,34	5,25
8. Expenditure on displaced persons			
(*a*) Ordinary expenditure	15,80	15,71	10,71
(*b*) Transfer of sale proceeds of evacuee property	2,50	6,77	4,50
(*c*) Repayment from Revenue of the Capital expenditure on payment of compensation	2,17	2,17	4,15
(*d*) Irrecoverable loans written off.	1	10	33
9. Servicing and other charges in respect of dollar purchases from I.M.F.	1,77	2,19	2,50
10. Aid under the Colombo Plan :			
(*a*) Nepal	2,20	1,35	1,90
(*b*) South East Asia	18	20	17
11. Repayment from Revenue of expenditure initially debited to Capital :			
(*a*) Trading losses on foodgrains	8,00	8,00	8,00
(*b*) Loss on American loan wheat	49	49	49
(*c*) Development Grants to States	1,07	1,04	1,34
12. Expenditure in Union territories	2,11	3,25	4,09

(In lakhs of Rs.)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
13. Subsidy to Mysore Government for the purchase of Kolar and Hatti gold	..	1,93	2,49
14. Grants to Delhi Corporation for services and Institutes transferred to the Corporation	..	1,25	1,40
15. Grants for the Economic Rehabilitation of Tribal Areas	..	25	30
16. Expenditure on Homes and Infirmaries	..	..	53
17. Contributions to U. N. and other international bodies	1,23	1,25	1,30
18. Planning Commission	74	68	78
19. Other items	4,72	3,21	6,05
TOTAL	68,24	79,58	88,83

Item 1.—Provision of Rs. 5 crores has been made in the two years for the grants likely to be made to States for relief of damage due to natural calamities. This is, however, over and above the amount of Rs. 6·15 crores which the Finance Commission took into account in recommending the total assistance to the States from the Centre.

Item 2.—The requirements of Social Welfare Board are now estimated to be Rs. 1·5 crores as compared with the Budget of Rs. 1·75 crores. Next year's Budget has been placed at Rs. 2 crores.

Item 3.—The total provision for the Welfare of Scheduled Tribes and Backward Class this year is now estimated at Rs. 10·52 crores as compared with the original Budget of Rs. 11·32 crores. The Budget next year at Rs. 16·17 crores exceeds the Revised by Rs. 5·65 crores. Provision under this head is made for Rs. 4·22 crores this year and Rs. 7·82 crores next year. The balance of the requirements of Rs. 6·3 crores this year and 8·35 crores next year have been provided under the head 'Grants to States' as grants under proviso to Article 275(1) of the Constitution.

Item 4.—The increase in both the years reflects mainly the post-budget decision to liberalise the basis of the grants to States for raising the emoluments of low-paid employees. Arrangements agreed to earlier were that the Centre would contribute 2/3rds of the extra cost incurred in increasing the salaries upto Rs. 60 and 1/3rd of the extra cost in respect of salaries ranging from Rs. 61 to Rs. 100. Centre's liability has now been uniformly increased to 2/3rds of the extra cost incurred by the State Governments. A part of the increase is also due to the decision of some State Governments to implement the scheme to the full extent in the current year, with the consequent increase in the share payable by the Centre.

Item 5.—The food subsidy payable to Jammu and Kashmir next year is estimated at Rs. 75 lakhs as compared with the current Revised of Rs. 1·25 crores.

Item 6.—Slow progress of expenditure on the new Pier and non-implementation of development schemes partly counter-balanced by the increase in French overseas pensions mainly account for the saving in the Revised. The increase next year is due to larger provision for development schemes.

Item 7.—Larger provision for grants to States for Employment Exchanges, Training Centres etc. and transfer of provision from the Ministry of Rehabilitation to the Ministry of Labour and Employment explain the increase next year.

Item 8(a).—The reduced provision for expenditure on relief of displaced persons from East Pakistan following the decision to close the camps in the Eastern Region by July, 1959 and the transfer of certain activities of the Ministry of Rehabilitation to other Ministries account for the decrease next year.

Item 8(b).—This is normally a self-balancing item and is covered by a corresponding credit on the Revenue side. Increase this year is due to larger tranfer of balances held with the Custodians (Rs. 1·5 crores), increased sale proceeds of Evacuee Property (Rs. 80 lakhs) and adjustment of Rs. 1·97 crores of sale proceeds etc. realised and credited to Revenue late last year for which provision for transfer to Capital is required this year. The decrease next year is due to the absence of arrear adjustments made this year (Rs. 1·97 crores) and less transfer of balances held with the Custodians (Rs. 1·5 crores), partly offset by larger receipts from sale proceeds etc. of Evacuee Property (Rs. 1·2 crores).

Item 8(c).—Net Capital expenditure on payment of compensation to displaced persons is written back to Revenue over a period of 15 years. Thus, with the progressive increase in payment of compensation there would be a proportionate increase in the annual writes-off to revenue. Part of the increase next year is also due to the provision for arrear adjustments relating to previous years.

Item 8(d).—Following the acceptance of the Finance Commission's recommendations recovery of Rehabilitation loans from the State Governments is limited to actual amounts realised by them, from the displaced persons. This accounts for the increased writes-off of loans in both the years.

Item 9.—In addition to the payment of four instalments of service cnarges of $200 million purchased from the International Monetary Fund during the period January to June, 1957, an additional payment of Rs. 42·35 lakhs was made this year on the return by the Fund of the payment in gold made last year, for which a credit has been taken in the revenue estimates. These payments are normally required to be made in gold but the Bank has agreed to accept them in Indian Rupees. The increase next year is due mainly to the increase in the rate of charges which goes up by half per cent after every six months.

Item 11(a).—The usual provision of Rs. 3 crores for the annual write back to Revenue of the loss on Burma rice and of Rs. 5 crores for the loss on wheat purchased from U.S.A. under P.L. 480 Programme has been made in both the years.

Item 11(b).—The provision made here represents the annual write back of loss of about Rs. 17 crores incurred on wheat imported from U.S.A. in 1951-52 and 1952-53.

Item 11(c).—In view of the increasing magnitude of the grants to States for development purposes, the payments are initially debited outside the Revenue Account to the head 'Capital Outlay on Development Grants' and written back to Revenue over a period of 15 years. Provision has been made under this head for write back to Revenue of Rs. 43·64 lakhs this year and Rs. 63·71 lakhs next year, on account of grants for industrial housing and slum clearance schemes and Rs. 60·35 lakhs this year and Rs. 70·03 lakhs next year for grants to States under Gadgil Committee's award.

Item 12.—The increase in both the years is attributable to larger payments of grants to the Territorial Councils in Himachal Pradesh, Tripura and Manipur.

Item 13.—Provision has been made under this head for payment of subsidy to the Mysore Government to compensate them for the loss suffered by them on the sale to the Government of India of gold produced at the Kolar and Hatti gold mines at the official rate of Rs. 62·50 per tola.

Item 14.—Provision has been made in both the years for the payment of grants to Delhi Corporation for hospitals, dispensaries schools etc. transferred to the Corporation this year.

Item 15.—Provision of Rs. 25 lakhs this year and Rs. 30 lakhs next year has been included for grants to Assam for economic rehabilitation of the areas which has suffered distress as a result of stoppage of Indo-Pakistan trade.

Item 16.—The budget next year is for the transfer of provision from the Ministry of Rehabilitation to the Ministry of Home Affairs.

Item 17.—Provision is made here for contributions to various United Nations and other bodies such as Food and Agricultural Organisation, World Health Organisation, United Nations International Children's Emergency Fund, International Labour Organisation, United Nations Education, Scientific and Cultural Organisation etc

DEFENCE SERVICES

Details by major heads are given below. The variations are explained in the Memorandum on Defence Services Estimates.

(In lakhs of Rupees)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Army	160,33	154,70	150,51
Navy	16,22	16,07	17,91
Air Force	87,10	82,08	58,24
Non-effective charges	14,49	14,02	16,02
TOTAL	278,14	266,87	242,68

CONTRIBUTIONS AND GRANTS-IN-AID TO STATES

Payments to the States of statutory grants under Articles 273 and 275 of the Constitution and section 74(2) of the States Reorganisation Act and payments of agency charges for the administration of Central Acts and Regulations by the States are brought to account under this group head. Details by major heads are given below.

(In lakhs of Rupees)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget, Estimate, 1959-60
Grants-in-aid to States . . .	46,97	46,85	48,84
Miscellaneous Adjustments between Union and State Governments . . .	6	10	18
TOTAL . .	47,03	46,95	49,02

Grants-in-aid to States.—The details are:—

(In lakhs of Rupees)

	Budget, 1958-59	Revised. 1958-59	Budget, 1959-60
1. Grants under Article 273 of the Constitution	3,15	3,15	3,15
2. Grants under substantive provision of Article 275 (1)	36,25	36,25	36,25
3. Grants under proviso to Article 275 (1) .	6,30	6,30	8,3
4. Grants under section 74 (2) of the States Reorganisation Act	1,27	1,15	1,09
TOTAL .	46,97	46,85	48,84

The increase next year under item 3 above is for grants for the Welfare of Backward Classes.

Under section 74(2) of the States Reorganisation Act, 1956, the States of Bombay, Kerala, Madras and Mysore are entitled to the difference between the prescribed percentages of their share of income-tax and Union excise duties and the guaranteed amounts provided under that section. These payments are in lieu of the amounts payable to the erstwhile States of Saurashtra, Mysore and Travancore-Cochin under the Federal Financial Integration arrangements. With the increase in the share of divisible income-tax and Union excises, the grant payable under this section is correspondingly reduced. This explains the savings in both the years under item 4 above.

EXTRAORDINARY ITEMS

This group head records extraordinary items which have to be distinguished from the ordinary expenditure. Details by heads of account are:—

(In lakhs of Rupees)

Heads	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
Extraordinary Charges	14,00	1,00	15,00
Community Development Projects, National Extension Service and Local Development Works	14,02	13,80	19,98
Civil Defence	1	1	1
Pre-partition payments	37	40	27
TOTAL	28,40	15,21	35,26

Extraordinary Charges.—Provision is made under this head for transfer to the Special Development Fund of the assistance from U.S.A. under P.L. 480 received in the form of grants for which a credit is assumed on the receipt side. The grant to be received this year is now estimated at Rs. 1 crore. Budget assumes a credit of Rs. 15 crores on this account.

Community Development.—The details are:—

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
Grants for Community Development	3,27	10,42	14,86
Grants for National Extension Service	8,50	1,27	2,20
Expenditure on Community Projects and National Extension Services including Union territories	58	59	78
Re-payment of Capital Grants for Local Development Works	1,36	1,24	1,50
Other Items	31	29	64
TOTAL	14,02	13,81	19,98

The decrease in the Revised is due to non-utilization in full of training facilities and reduction in the number of trainees as a result of revision of the Community Development programme with effect from the 1st April, 1958. The increase next year for grants to State Governments is for implementation of the Community Development Programme as revised.

Pre-partition Payments.—Provision made under this head is in respect of claims relating to undivided India which are settled and discharged during the year.

SECTION II

CAPITAL RECEIPTS AND DISBURSEMENTS

SECTION II

CAPITAL BUDGET

Introductory Notes

The estimates of the Receipts and Disbursements on Capital Account of the Central Government are explained in this Section. These cover receipts and disbursements connected with capital schemes undertaken by the Central Government, borrowings at home or abroad, in the form of regular loans and treasury bills and Small Savings which comprise mainly the Postal Savings Bank, the National Plan Savings Certificates issued through Post Offices and the Treasury Savings Deposit Certificates sold through the Public Debt offices, Treasuries and Sub-treasuries etc. They also cover a variety of other items such as State Provident Funds, various deposits under the Income-tax Act, depreciation and reserve funds of departments like Railways and Posts and Telegraphs, and special *ad hoc* funds created from time to time by Government. It is difficult, in the compass of a brief note, to indicate fully the scope and variety of these miscellaneous items but details of these are given in Statement C of the Annual Financial Statement.

The capital requirements of Government are ordinarily met from four sources. Firstly, regular loans are floated and, in the case of short term requirements, treasury bills are issued, ordinarily for a period of 91 days at a time. Secondly, there is the flow of money through Postal Savings Bank and other Small Savings Schemes. Thirdly, there are the receipts into the various depreciation, reserve and other funds, and under the deposit heads. Further, any sum provided in the revenue budget for reduction or avoidance of debt or for debt redemption is also available, as it is transferred to capital by debit to the revenue budget. To the extent to which the net receipt from these sources is insufficient to meet the capital requirements, the deficit has to be made good from revenue, the accumulated cash balances, and if neither is available, by the sale of *ad hoc* treasury bills to the Reserve Bank. Conversely, any surplus of capital receipts over disbursements is available for covering a revenue deficit or for augmenting the cash balances of Government.

The statement on the following two pages summarises the capital transactions included in the budget for the current and ensuing years and indicates the sources from which capital requirements will be met.

SUMMARY OF CAPITAL

RECEIPTS

(In lakhs of rupees)

	Account, 1957-58	Budget, 1958-59	Revised, 1958-59	Budget 1959-60
New Loans	168,64	429,76	740,77	524,77
15-year Annuity Certificates	65	1,65	77	1,20
Inter-State Settlement	..	..	..	..
Special Floating Loan	..	..	..	95,24
Net receipts from :				
Treasury Bills	459,43	205,00	—20,00	237,00
Treasury Savings Deposit Certificates	5,56	17,00	5,70	8,50
Post Office Savings Bank Deposits	17,41	25,00	18,00	20,00
12-Year National Plan Savings Certificates	71,44	86,00	80,00	85,50
Cumulative Time Deposits	..	2,50	50	2,00
Post Office Cash Certificates	—89	—90	—80	—70
National Savings Certificates	—22,36	—26,57	—26,82	—28,27
Defence Savings Certificates	—3	—3	—3	—3
National Plan Certificates	—2,25	—4,50	—2,20	—3,00
Other Unfunded Debt	20,39	19,53	17,48	21,38
Railway Depreciation, Revenue Reserve and Development Funds	—24,43	—28,44	—39,74	—17,54
Telephone Development Fund	32	—1,15	—1,05	—90
P. & T. Renewals Reserve Fund	1,59	1,45	1,46	2,14
Other Miscellaneous Reserve Funds	—79	—54	—55	—17
Appropriation for Reduction or Avoidance of Debt	5,00	5,00	5,00	5,00
Deposits under Income Tax Act (Net)	3,22	6,83	—4,14	—11
Discount Sinking Fund (Net)	1,18	1,73	2	1,95
Payment by Reserve Bank for Rupee Coin	5,00	5,00	5,00	5,00
Repayment of Loans by States	61,40	62,22	78,96	95,37
Other Loan Repayments	13,28	12,47	15,57	15,32
Other Deposits and Advances (Net)	21,84	71,64	47,44	94,67
TOTAL	805,60	890,65	921,34	1164,32
Deficit on Capital Account	41,20	..	..	..
	846,80	890,65	921,34	1164,32

TRANSACTIONS

DISBURSEMENTS

(In lakhs of Rupees)

	Account, 1957-58	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
Capital Outlay:				
Railways	151,90	138,84	120,88	121,81
Irrigation	14	19	18	14
Posts & Telegraphs	10,83	10,82	11,17	15,44
Schemes of Agricultural Improvement and Research	85	1,79	75	4,93
Industrial Development	147,57	193,09	188,66	54,28
Aviation	2,55	3,29	2,24	4,38
Broadcasting	37	1,15	80	1,05
Ports	1,75	3,93	2,35	2,43
Currency and Coinage	14	69	3,58	98,63
Mint	28	46	49	49
Delhi Capital Outlay	3,85	6,45	6,95	7,39
Multi-purpose River Schemes	3,28	4,22	3,42	3,23
Electricity Schemes	30	54	39	85
Civil Works	14,17	15,28	17,28	18,38
Commutation of Pensions	—5	—33	—38	—36
Sterling Pensions	—9,35	—24,89	—38,22	—3,59
Defence Capital Outlay	22,93	27,00	27,90	32,74
Schemes of Government Trading]	46,56	2,91	29,03	32,04
Development Grants	7,45	8,69	9,20	12,93
Compensation to Displaced Persons	12,61	13,33	6,06	4,55
Dandakaranya Development Scheme	5	3,00	1,24	5,72
Shipping, Tankers, etc.	41	58	..	78
Transfer of Development assistance from the Govt. of U.S.A.	12,04	78,47	18,78	57,39
Other Works	71	1,50	1,14	1,49
Other Civil Heads	22	35	29	41
Discharge of Permanent Debt	74,68	28,15	29,09	127,04
Discharge of Special Floating Debt	4,80	3,43	3,37	3,43
Inter-State Settlement	1,45	12	12	..
Advances to State Governments	275,98	279,32	300,41	291,08
Other Loans and Advances	58,33	55,60	115,91	206,36
TOTAL	846,80	857,97	863,08	1105,44
Surplus on Capital Account	..	32,68	58,26	58,88
	846,80	8,90,65	921,34	1164,32

NOTES ON CAPITAL TRANSACTIONS

RECEIPTS

New Loans.—The current budget took credit for new loans amounting to Rs. 429·76 crores of which Rs. 145 crores were from the market loans to be floated in India and the balance of Rs. 284·76 crores from foreign sources. The latter included Rs. 190·85 crores from U.S.A., Rs. 35 crores and Rs. 30 crores from the Governments of U.S.S.R. and West Germany for the Bhilai and Rourkela Steel Projects respectively, Rs. 13·78 crores from the International Bank for Reconstruction and Development for the Railway and D.V.C. Projects and Rs. 15·13 crores from other foreign sources.

Revised Estimates for new loans have been placed at Rs. 740·77 crores. Of these Rs. 202·41 crores are in respect of the 5 market loans floated during the year, namely, (i) 3½ per cent Bonds, 1963 for Rs. 58·56 crores, (ii) 3¾ per cent National Plan Bonds—Fifth Series (3¾ per cent, 1968), for Rs. 34·34 crores, (iii) 4 per cent Loan, 1973 for Rs. 49·51 crores, (iv) 3½ per cent Loan, 1968 for Rs. 30 crores and (v) 3½ per cent. National Plan Bonds—Third Series (3½ per cent, 1967) re-issued for Rs. 30 crores. In addition, treasury bills held by the Reserve Bank in their Issue Department of the value of Rs. 300 crores were converted on 1st July 1958 into a further special issue of 4 per cent Loan, 1973. This special issue to the Reserve Bank was not intended to be placed on the market.

Foreign loans in the current year are estimated at Rs. 238·36 crores of which Rs. 30·67 crores are in respect of Sterling Loans, Rs. 59·71 crores from U.S.A., Rs. 64·14 crores from the International Bank for Reconstruction and Development mainly for the requirements of the Railways and the D.V.C. Projects, Rs. 31·42 crores from U.S.S.R. mainly for the Bhilai Project, Rs. 35·71 crores from West Germany for the Rourkela Project, Rs. 15·71 crores from Canada for the purchase of wheat and Rs. 1 crore from Japan.

Budget next year assumes total credit of Rs. 524·77 crores. Of these Rs. 225 crores are in respect of new market loans and Rs. 299·77 crores from foreign sources. The latter includes Rs. 40·66 crores from Sterling Loans, Rs. 143·3 crores from U.S.A., Rs. 29·36 crores from the International Bank for Reconstruction and Development, Rs. 25·71 crores from U.S.S.R., Rs. 28·95 crores from West Germany, Rs. 11·79 crores from Japan and Rs. 20 crores from other foreign sources.

15. *Year Annuity Certificates.*—These certificates, of which the first series were introduced with effect from 1st July, 1954, are intended to cater for those who wish to secure regular monthly payment against a lump sum investment. The first series were discontinued and a second series introduced with effect from 2nd January 1958, the return on which is 4·25 per cent as compared with 3·5 per cent on the earlier series. An initial investment of Rs. 3,325, Rs. 6,650, Rs. 13,300 or Rs. 26,600 in the present series secures a monthly payment free of income-tax, of Rs. 25, Rs. 50, Rs. 100 or Rs. 200 respectively for a period of 15 years. The return includes both principal and interest. The maximum purchase by a single individual is limited to Rs. 26,600 and by two persons jointly to Rs. 53,200, but if the two series are taken together, the maximum limits are Rs. 28,000 and Rs. 56,000 respectively.

Sales of these Certificates during the current year are now estimated at Rs. 77 lakhs. Budget assumes sale for Rs. 1·2 crores.

Inter-State Settlement.—This head was opened in 1954-55 to record transactions relating to the settlement of Burma's separation debt to India. It now also accommodates inter-governmental transactions of a capital nature such as those relating to federal financial integration of the former Indian States, re-organisation of the States under the States Re-organisation Act, 1956, and settlement with France in relation to Pondicherry.

At the time of Burma's invasion by Japan in 1942, Burma owed to undivided India a sum of Rs. 48·15 crores on account of its separation debt. Under the Agreement embodied in the letters of 1st April, 1954, exchanged between the Finance Minister of India and the Burmese Ambassador, the debt of Rs. 39·72 crores (82½ per cent of Rs. 48·15 crores) accruing to India was reduced to Rs. 20 crores. The Agreement also provided that this reduced debt would be adjusted against the payment of £ 13 on every ton of rice purchased by India from Burma during the calendar year 1954 and the balance left would either be treated as a financial aid to Burma under the Colombo Plan or adjusted against further purchases of rice by India from Burma during 1955. It was also agreed that the net sum, if any, that might be due to or by Burma in connection with the termination of the common currency arrangements between India and Burma would be deducted from or added to the balance of the reduced debt.

During 1954-55 and 1955-56, a sum of Rs. 15·42 crores representing the deduction at £ 13 per ton, on a total purchase of 8,89,809 tons of rice made under these arrangements, was credited under this head. The amount adjusted in respect of termination of common currency arrangements has been computed at Rs. 2·55 crores in favour of Burma. The balance thus outstanding against Burma is Rs. 2·03 crores which, in accordance with the Agreement referred to above, has been treated as India's financial aid to Burma under the Colombo Plan.

Special Floating Loan.—Credit is taken under this head for the amount of special securities issued in payment of India's contribution to the International Monetary Fund and International Bank for Reconstruction and Development. India's original subscription to International Monetary Fund and International Bank for Reconstruction and Development amounted, in each case, to $ 400 million for which non-negotiable, non-interest bearing rupee securities were issued to the extent of Rs. 177·38 crores in the case of I.M.F. and Rs. 35·22 crores in respect of I.B.R.D. Following the recent decision taken by the Board of Governors of the I.M.F. and I.B.R.D. to raise the quotas and subscriptions of the member countries by 50 per cent. in case of I.M.F. and 100 per cent in the case of I.B.R.D., India's quota to the I.M.F. has been increased to $ 600 million and to I.B.R.D. to $ 800 million. The increased quota to the I.M.F. is payable in full but no payment would be made to the Bank, as the increased subscription would, for the present, remain uncalled. Of the additional payment of $ 200 million to the I.M.F., $ 50 million is payable in gold and the balance of $ 150 million in rupees. Accordingly, payment of $ 150 million will be made in the form of non-interest bearing, non-negotiable rupee securities in favour of the I.M.F. and for the balance of $ 50 million gold will be purchased from the Bank of England against the sterling balances held by the Reserve Bank for which special *ad hoc* securities would be issued in favour of the Reserve Bank. Credit has been taken next year, under this head, for the securities worth Rs. 95·24 crores to be issued on this account in favour of the I.M.F. and the Reserve Bank of India.

Treasury Bills.—In the original Budget, the net expansion of Treasury Bills was assumed at Rs. 205 crores comprising Rs. 200 crores for the overall deficit and Rs. 5 crores for improvement in the closing cash balance. The overall deficit for the current year is now estimated at Rs. 255 crores. The deterioration of Rs. 55 crores this year is due to several factors. The Revenue deficit has gone up by Rs. 32 crores and foreign assistance is less by 46 crores. Net loans to States and other parties, mainly Hindustan Steel (Private) Limited, exceed the budget provision by Rs. 67 crores and an additional Rs. 24 crores is required for food purchases. These decreases in receipts and increases in expenditure would be set off by a net improvement of Rs. 57 crores from market loans and savings of a like amount under other Capital and Debt Deposit heads. Against the Budget provision of Rs. 100 crores, net collections from Small Savings are now estimated at Rs. 75 crores. But this decrease is counterbalanced by the resumption of public auction of Treasury Bills.

The expansion of Treasury Bills, including sales through Public auction would thus amount to Rs. 280 crores. Allowing for the conversion of *ad hoc* Treasury Bills of the value of Rs. 300 crores into dated securities, as mentioned earlier, there would be a net repayment of Rs. 20 crores under Treasury Bills in the current year.

Overall deficit next year is estimated at Rs. 222 crores. The sales of Treasury Bills through public auctions next year are expected to bring in a further sum of Rs. 15 crores. Thus the net expansion of Treasury Bills in the Budget next year is expected to be Rs. 237 crores.

On the basis of these estimates, the total outstanding Treasury Bills at the end of the current and next year would amount to Rs. 1,275 crores and Rs. 1,512 crores respectively.

Treasury Savings Deposit Certificates.—10-year Treasury Savings Deposit Scheme was introduced with effect from 1st February 1951. Under this Scheme, deposits in multiples of Rs. 50 are accepted at the offices of the Reserve Bank of India, branches of the State Bank of India conducting Government treasury business, district treasuries and sub-treasuries. These Certificates, individual holdings in which are limited to Rs. 25,000 and joint holdings to Rs. 50,000, run for ten years and formerly carried interest at 3½ per cent, free of income-tax, interest being paid annually. The rate of interest on the Certificates purchased from the 1st June 1957 onwards was increased from 3½ per cent to 4 per cent. After the initial lock up period of one year, the depositors have an option of withdrawing the deposits before maturity on refunding a part of the interest drawn by them.

Net sales this year are now estimated at Rs. 5·7 crores. The intensive drives conducted by the National Savings Organisation and the State Governments and the decision to allow the sale of these Certificates through authorised agents on a commission of ½ per cent are expected to increase the collections next year. Budget accordingly assumes a net credit of Rs. 8·5 crores.

Post Office Savings Bank Deposits.—Interest on Post Office Savings Bank Deposits was increased, with effect from 1st June, 1957, from 2 to 2½ per cent, free of income-tax, on balances up to Rs. 10,000 (Rs. 20,000 in the case of joint accounts) and to 2 per cent from 1½ per cent, free of income-tax, on balances exceeding Rs. 10,000 (Rs. 20,000 in the case of joint accounts). The maximum deposit for one person in the Post Office Savings Bank is Rs. 15,000 and for two persons jointly Rs. 30,000. No limits are applicable for public accounts on which interest has likewise been increased to 2 per cent from 1½ per cent.

Current year's budget assumed a net credit of Rs. 25 crores. The gross deposits on the trend of latest actuals have been estimated at Rs. 188 crores against Rs. 190 crores in the current year; likewise, withdrawals at Rs. 170 crores are expected to exceed the budget figure of Rs. 165 crores resulting in a net deposit of Rs. 18 crores. This includes an adjustment of Rs. 8·04 crores on account of interest on these deposits.

For next year, a net credit of Rs. 20 crores, including Rs. 8·42 crores on account of interest, has been taken; it allows for some improvement as a result of the intensive measures taken to step up Small Savings collections.

12-year National Plan Savings Certificates.—A new series of 12-year National Plan Savings Certificates was introduced with effect from the 1st June, 1957 in replacement of the former 7 and 12 year National Savings Certificates and 10-year National Plan Certificates. The new 12-year Certificates yield a return on maturity of 5·41 per cent. simple or 4·25 per cent compound as compared with the yields of 4·16 per cent simple or 3·5 per cent compound on the former 12-year National Savings Certificates and 4·5 per cent simple or 3·75 per cent compound on the 10-year National Plan Certificates. An investment of Rs. 100 entitles the purchaser to an income-tax free return of Rs. 165 on maturity after 12 years as compared with Rs. 150 on the former 12-year National Savings Certificates. An individual can purchase Certificates up to Rs. 25,000 in his name and up to Rs. 50,000 jointly with another person. Charitable institutions are allowed to invest up to Rs. 60,000, whereas for other Local Authorities, Co-operative Societies etc., the maximum limit is Rs. 1 lakh. No limit is laid down for the investment of Provident Fund balances in these Certificates. It is also permissible to encash the Certificates prematurely after an initial lock-up period of one year on varying rates of interest depending upon the period for which the Certificates are held.

Current budget assumed a credit of Rs. 86 crores on account of net sales of these Certificates. On the trends of latest actuals, net sales this year are now expected to be of the order of Rs. 80 crores. Budget, at Rs. 85·5 crores, allows for some improvement.

Cumulative Time Deposits Scheme.—A new scheme called the Cumulative Time Deposits Scheme was introduced with effect from 2nd January 1959. This is intended to cater for those who wish to save regularly every month. The scheme provides for monthly deposits, in all Post Offices doing Savings Bank work, for a period of five or ten years. The deposits are repayable at the end of this period with compound interest yielding a return, free of income tax and super tax, of about 3·3 per cent. per annum in the 5-year account and 3·8 per cent. per annum in the 10-year account. The maximum limits up to which an individual can make deposits under the scheme is Rs. 200 per month in a 5-year account or Rs. 100 per month in a 10-year account. The limits for joint accounts are double those of single accounts. Deposits are accepted in denominations of Rs. 5, Rs. 10, Rs. 20, Rs. 50, Rs. 100 or Rs. 200. In the case of default in the monthly payment, the date of maturity is extended by the number of months for which the default has occurred provided the number of defaults does not exceed five in the case of a 5-year account and ten in the case of a 10-year account. If the aggregate number of defaults exceeds these limits, the account is treated as discontinued and proportionate amount paid on maturity.

Withdrawals in multiples of Rs. 10 totalling not more than 50 per cent of the deposits made into the account are allowed once in the case of a

5-year account and twice in the case of a 10-year account provided the account has been in operation for at least one year. On the amounts withdrawn simple interest at 6 per cent. per annum is recoverable from the net amount payable on maturity.

The net deposits under this scheme are estimated at Rs. 50 lakhs this year and Rs. 2 crores next year.

Post Office Cash Certificates.—The issue of these Certificates was discontinued with effect from the 15th June, 1947. Repayments this year and the next year are estimated at Rs. 80 lakhs and Rs. 70 lakhs respectively.

National Savings Certificates.—These represent former 7 and 12 years National Savings Certificates which were discontinued with effect from 1st June, 1957 and replaced by National Plan Savings Certificates to which a reference has been made earlier.

Provision here is made for the discharges of these Certificates which are estimated at Rs. 26·82 crores this year and Rs. 28·27 crores next year. These estimates include Rs. 5 lakhs this year and Rs. 7 lakhs next year on account of discharges of certificates issued by the former Hyderabad State.

Defence Savings Certificates.—These Certificates, which were issued during the last war, were discontinued in October, 1943, when National Savings Certificates were introduced. The total discharges have been estimated at Rs. 3 lakhs in each year.

National Plan Certificates.—As mentioned earlier, these Certificates were discontinued with effect from 1st June, 1957, on the introduction of the 12-year National Plan Savings Certificates. Provision has been made for likely discharge of these Certificates of Rs. 2·2 crores this year and Rs. 3 crores next year.

Other Unfunded Debt.—The transactions mainly relate to State Provident Funds and provision has been made for the net anticipated credit. The rate of interest allowed to the subscribers to these funds, other than some earlier subscribers who are entitled to a minimum guaranteed rate of 4 per cent., is determined every year on the basis of the average redemption yield during the five immediately preceding calendar years on all Government of India rupee loans, with unexpired maturity exceeding 5 years, rounded off to the nearest quarter. The rate for the current and the next year continues at $3\frac{3}{4}$ per cent.

The decrease in the Revised is due to the write back of the Government's contribution to the Provident Fund credited in earlier years in respect of those Railway employees who have now opted for pensionary benefits. Excluding this special item, Budget next year allows for normal growth.

Railway Depreciation, Revenue Reserve and Development Funds.—Provision has been made for the anticipated transactions details of which appear in the Railway Budget.

Telephone Development Fund.—In connection with the scheme for advance collection of a part of telephone rents from those who elect to own their telephones, the lump sum, representing 20 years rentals, recovered from the subscribers is credited to this Fund to be utilized for financing capital expenditure on telephones. The amounts collected are initially credited to revenue and corresponding payments to the Fund

are treated as expenditure. The appropriations from the Fund are taken in reduction of the capital expenditure on Posts and Telegraphs.

The credits to this Fund this year are estimated at Rs. 75 lakhs and the withdrawals at Rs. 180 lakhs. Next year Rs. 70 lakhs will be paid into the Fund and Rs. 160 lakhs withdrawn from it.

Posts and Telegraphs Renewals Reserve Fund.—Current Revised takes contribution (including interest) from revenue to the Renewals Reserve Fund of Rs. 2·79 crores and withdrawals from the Fund of Rs. 1·33 crores and Budget next year assumes a credit to the Fund of Rs. 3·6 crores and withdrawals of Rs. 1·46 crores.

Other Miscellaneous Reserve Funds.—This head accommodates transactions relating to the Reserve Funds of the various Commercial Departments of the Government of which the important ones are General Reserve Fund (Lighthouses and Lightships), Renewal Reserve Fund (Salt), Depreciation Reserve Fund (Overseas Communication Service) and Depreciation Reserve Fund (Visakhapatnam Port).

Appropriation for Reduction or Avoidance of Debt.—Credit has, as usual, been taken under this head for the transfer from revenue in each year of a sum of Rs. 5 crores for Reduction or Avoidance of Debt.

Deposits under Income-tax Act (Net).—Current Budget assumed a net deposit of Rs. 7 crores in respect of deposits from companies under sub-section (2B) of Section 10 of Income-tax Act, 1922. Following the decision taken this year to discontinue these deposits, provision has been made for the refund of the deposits made in previous year amounting to Rs. 3·67 crores. Including the transactions in respect of other deposits under the Income-tax Act, the net withdrawals this year are estimated at Rs. 4·14 crores. Budget next year assumes a net withdrawal of Rs. 11 lakhs in respect of other deposits.

Discount Sinking Fund (net).—When loans are issued at discount, the discount is debited to this head and credit for face value of loan taken under "Permanent Debt". The discount initially taken to this head is written back to revenue and debited to "Interest" over the period for which the loan is issued.

Current Budget assumed a net credit of Rs. 1·73 crores under this head on account of the write back to revenue of the discount paid on the loans floated in earlier years. In view of the increase in the number and amount of loans floated on discount during the year, the net credit is now estimated at Rs. 2 lakhs only. Budget, at Rs. 1·95 crores provides for the write back to revenue of discount on loans floated up to the end of the current year. Following the usual practice, no provision has been included in the Budget for the discount on the new loans to be floated next year as the terms are settled only at the time of issue of the loans.

Payment by Reserve Bank for Rupee Coin.—Credit is taken here for the payment of Rs. 5 crores by the Reserve Bank under section 36 of the Reserve Bank Act, 1934 for rupee coin taken by it from Government.

Repayments of Loans by States and other Loan repayments.—The principal portion of all repayments is taken here and interest receipts are taken in reduction of expenditure under interest in the case of States and as revenue under "XX—Interest" in other cases.

Other Deposits and Advances (Net).—The estimates here show the net effect of transactions occurring under all other sundry Deposit, Suspense, Remittance, etc. heads not dealt with earlier. The shortfall in the Revised and increase in the Budget is due mainly to the throw forward of the assistance from U.S.A. to next year.

DISBURSEMENTS

As explained in the Notes on expenditure met from revenue, these figures do not agree with those given in the Demands for Grants which are for gross amounts excluding recoveries and where the same major head might appear in more than one Demand. The variations in the figures by major heads given in the Summay of Capital Transactions are explained below:—

Railways.—Details appear in the Railway Budget.

Irrigation.—Provision relates to certain irrigation and flood control works in the Union Territories of Delhi, Tripura and Himachal Pradesh.

Posts and Telegraphs.—The details are:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
		(In lakhs of Rupees)	
Postal	1,23·91	84·11	1,33·11
Telegraphs	2,03·06	1,99·80	5,05·05
Radios	24·72	19·21	21·84
Telephones	9,10·31	9,93·44	10,44·49
Deduct—Amount met from Telephone Development Fund	—1,80·00	—1,80·00	—1,60·00
	10,82·00	11,16·56	15,44·49

Schemes of Agricultural Improvement and Research.—Provision is made under this head for capital expenditure on various schemes for development and research in agriculture, such as, marine fisheries, Grow More Food Campaign in Union Territories and expansion of research institutions of which mention may be made of the Indian Agriculture Research Institute, the Central Rice Research Institute, the Sugar and Sugar-cane Research and Breeding Institutes and the Central Control Laboratories.

The decrease in Revised is due mainly to non-utilisation of the provision for contribution to the National Co-operative Development and Warehousing Board. The increase in the Budget is due largely to a provision of Rs. 2·93 crores as additional contribution to National Co-operative Development and Warehousing Board for loans to States and less recovery from the Special Development Fund on account of aid from the Government of New Zealand for the Delhi Milk Supply Scheme.

Industrial Development.—Details of the provisions are indicated below:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
		(In lakhs of Rupees)	
Department of Atomic Energy—			
1. Acquisition of Lands for Atomic Energy Establishment and Atomic Minerals Division	10·00	30·00	71·00
2. Buildings for the Atomic Energy Establishment and Atomic Minerals Division	102·00	70·00	157·00
3. Other Development Expenditure of Atomic Energy Department.	50·00	32·00	76·00

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
4. Canada-India Reactor	93·00	93·00	50·00
5. Pilot Plant at Ghatsila	2·20	1·50	1·00
6. "Apsara" Reactor	·50	·50	1·00
7. Thorium Uranium Plant	2·30	2·30	5·00
8. Uranium Metal Processing Plant	16·00	13·00	2·00
9. Zerlina Reactor	50·00	11·00	21·00
10. Uranium Ore Mill	..	..	10·00
11. Stocks and Suspense	..	2·00	20·00
12. Cosmic Ray Research Laboratory	..	..	2·00
13. Nuclear Power Station	..	..	16·00
Ministry of Commerce and Industry—			
14. Institute of Small Scale Industries	9·80	13·30	19·00
15. Investment in State Trading Corporation	250·00	100·00	..
16. Purchase of Shares in Handicrafts Corporation	10·00	10·00	10·00
17. Investment in Civil Explosives Factory	..	20·00	..
18. Investment in Diesel Engine Factory	·01	·04	·01
19. Investment in Hindusthan Insecticides, Ltd.	3·00	3·00	..
20. Investment in Hindusthan Antibiotics, Ltd.	1·00	..	10·00
21. Investment in Hindusthan Machine Tools, Ltd	..	95·00	54·78
22. Purchase of shares in Nangal Fertilizers and Chemicals, Ltd.	4,04·96	4,75·00	6,00·00
23. Purchase of shares in Heavy Electricals (Private) Ltd.	1,00·00	5,00·00	7,00·00
24. Purchase of shares in Hindustan Heavy Engineering Corporation	75·20	60·00	1,35·00
25. Development of Salt Works	20·00	8·50	12·04
26. Drugs and Pharmaceuticals Projects	..	..	45·00
27. Bayers Intermediate Project	..	..	6·00
28. Optical & Ophthalmic Glass Project	..	..	2·00
29. Foundry Forge Project	..	46·30	..
30. Hindustan Salt (P) Ltd.	..	14·20	25·00
31. Purchase of shares of Nepa Mills	..	2,50·00	..
Ministry of Scientific Research & Cultural Affairs—			
32. Grant to the Council of Scientific and Industrial Research	1,75·00	1,75·00	2,00·00

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
33. Equipment for the Indian School of Mines and Applied Geology	5·00	2·97	5·00
34. Instruments & Equipments for Central Board of Geophysics	..	..	3·00
Ministry of Finance—			
35. Film Finance Corporation	..	..	20·00
Ministry of Health—			
36. Plant and Equipment for Dry Freeze Vaccine Laboratory, Guindy	1·00	1·12	·52
Ministry of Irrigation and Power—			
37. Purchase of shares of National Projects Construction Corporation	25·00	15·00	..
Ministry of Rehabilitation—			
38. Rehabilitation Industries Corporation	..	..	1,00·00
Ministry of Steel, Mines and Fuel—			
39. Establishment of two Coal Washeries	1,00·00	..	..
40. Purchase of Shares in Bolani Ores (Private) Ltd.	40·40	20·20	5·05
41. Purchase of shares in Hindustan Steel (P) Ltd.	157,88·50	144,28·47	..
42. Investment in Mysore Iron & Steel Corporation	1·00	..	1·00
43. Establishment of Fourth Steel Plant	50·00	..	..
44. Oil Exploration Scheme	2,16·54	1,96·47	3,26·93
45. Equipment for the Bhilai Project	..	·07	·08
46. Investment in Oil India (P) Ltd.	10·00	4,00·00	2,00·00
47. Purchase of Shares in Singareni Colliery Co. Ltd.	30·00	..	1,20·00
48. Purchase of Shares in Neyveli Lignite Corporation.	6,99·99	6,48·16	13,00·00
49. Purchase of shares in National Coal Development Corporation	50·00	50·00	50·00
50. Purchase of Shares in Orissa Mining Corporation	2·50	..	..
51. Purchase of Shares of National Mineral Development Corporation	..	5·00	10·00
52. Purchase of Shares of Indian Refineries (Private) Ltd.	..	1,00·00	1,70·00
53. Establishment of an Alloy and Tool Steel Plant	..	..	10·00
54. Indian Mining & Construction Co. (P) Ltd.	..	—43·00	—2·00
Ministry of Transport and Communications—			
55. Eastern Shipping Corporation	52·00	90·00	1,95·00
56. Western Shipping Corporation	2,50·00	2,15·00	1,60·00

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
57. Investment in the Air India International Corporation	2,10·13	2,83·27	2,88·00
58. Investment in the Indian Air Lines Corporation	3,22·80	3,67·67	80·16
59. Overseas Communications Service	25·00	23·46	35·00
60. Establishment of Second Shipyard	2·00	·20	·05
61. Hindusthan Shipyard, Ltd.	52·06	40·00	26·54
Ministry of Works, Housing and Supply—			
62. Purchase of shares in Hindusthan Housing Factory Ltd.	..	..	13·50
63. Purchase of shares of Ashoka Hotel Ltd.	..	..	50·00
64. Purchase of Shares of Hotel Janpath	..	..	9·50
TOTAL	193,08·89	188,65·70	54,28·16

The large decrease in the Budget next year is due to the absence of further investment in Hindustan Steel (Private) Ltd. The authorised capital of the company is Rs. 300 crores which has already been subscribed fully. Further requirements of the company in the next year have been provided as loans.

Aviation.—The decrease in the Revised is due to the repayment by the Air India International Corporation bonds of the value of Rs. 1·02 crores issued by it in favour of the Government at the time of its nationalisation in 1953. Absence of this Special item and expansion of the facilities at the various aerodromes and the communication stations explain the increase next year.

Broadcasting.—Provision has been made for the capital requirements of the various transmitting stations of the All India Radio the details of which are given in the Demands for Grants.

Ports.—Provision is included under this head for the development of Vishakhapatnam and Kandla Ports and the township of Gandhidham and also of minor ports in Andaman-Nicobar Islands. The details of the provision are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
		(In lakhs of Rupees)	
Kandla Port	237·59	152·76	129·33
Gandhidham	54·98	8·82	23·20
Vishakhapatnam Port	95,00	68·76	85.00
Andaman-Nicobar Islands	5·00	5·00	5·00
TOTAL	392·57	235·34	242·53

Currency and Coinage.—Details of the provision are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate 1959-60
		(In lakhs of Rupees)	
(a) Purchase of metal for coinage (net)	3·54	58·99	65·28
(b) Additional Contribution to International Monetary Fund.	..	..	95,24·00
(c) Purchase of gold	..	2,45·59	2,90·69
(d) Payment to Reserve Bank against Hyderabad Currency Note Liability taken over by the Bank	..	2·50	—57·50
(e) Lands, buildings, plant and machinery etc. for the Currency Note Press	55·60	50·92	40·14
(f) Security Paper Mill	10·00	..	·10
TOTAL	69·14	3,58·00	98,62·71

(a) *Purchase of metal for coinage (Net).*—A reference has been made under Currency and Mint in Section I dealing with Revenue Estimates to the changes in the accounting procedure of coinage transaction introduced with effect from 1st April, 1956. The expenditure on the purchase of metal for coinage is debited to 'Currency Capital Outlay' and a credit afforded to this head for the value of the metal actually used for coinage etc. Against the current Budget provision of Rs. 225 lakhs for the purchase of metal for coinage, the requirements during this year and the next year are now estimated at Rs. 224·05 lakhs and Rs. 236 lakhs respectively. Current Budget assumed a credit of Rs. 221·46 lakhs on account of metal actually used for coinage. The credit now estimated is Rs. 165·06 lakhs this year and Rs. 170·72 lakhs next year.

(b) *Additional Contribution to the International Monetary Fund.*—Following the decision by the Board of Governors of the International Monetary Fund to raise the quotas and subscriptions of the member countries by 50 per cent. India's quota has been increased from $400 million to $600 million. The payment of $200 million (Rs. 95·24 crores) is to be made next year of which $50 million (Rs. 23·81 crores) is payable in gold and the balance of $150 million (Rs. 71·43 crores) in the form of non-interest bearing, non-negotiable rupee securities to be issued in favour of the Fund.

(c) *Purchase of gold.*—Provision has been made in the Revised and the next Budget for Rs. 245·59 lakhs and Rs. 290·69 lakhs respectively

for the purchase of gold produced in the Kolar and Hutti Gold Mines, Mysore. The debit under this head represents the purchase price of gold at the official rate of $35 per ounce (Rs. 62·50 per tola).

(d) *Payment to Reserve Bank against Hyderabad Currency Note Liability taken over by the Bank.*—Following the federal financial integration of Hyderabad with the Union of India, the currency functions were taken over by the Central Government along with the assets held in the Hyderabad Paper Currency Reserve. The assets in the Reserve, however, were partly in cash and in Government of India securities and partly in securities issued by the former Government including *ad hocs* of the value of O.S. Rs. 9 crores. The cash and Government of India securities were taken over by the Reserve Bank at their market value from time to time against the issue by them of Indian currency in lieu of Osmania Sikka currency. As the Osmania Sikka securities could not be held by the Reserve Bank as a cover against note issue, these were taken over in the Government Cash Balance Investment Account. The debit for the *ad hocs* of O.S. Rs. 9 crores and the difference between the book value and the market value of the Government of India securities transferred to the Bank was initially taken to the head "Capital Outlay on Currency and Coinage". Similarly, further payments for the replacement of Osmania Sikka currency by Indian currency have been made to the Bank by debit to this head. The total amount outsanding under this head is at present of the order of Rs. 9 crores. It has been decided, in consultation with the Comptroller and Auditor General of India, that the debit should be written back to revenue over a period of 15 years. Accordingly budget next year provides for credit to Capital of Rs. 60 lakhs by debit to revenue.

Provision has been included for a payment of Rs. 2·5 lakhs in each year to the Reserve Bank of India for the Osmania Sikka currency likely to be tendered for exchange into Indian currency.

Mint.—The increase this year is due mainly to larger purchases of stores for the Silver Refinery.

Delhi Capital Outlay.—Cost of construction of buildings in New Delhi and Delhi is booked under this head. The details of works have, as usual, been given in the Annexure to the Demand for Delhi Capital Outlay.

Prior to 1957-58 this major head was described as "New Delhi Capital Outlay" for recording the capital expenditure on civil works in New Delhi. With effect from 1957-58 the scope of the head has been widened to accommodate also the capital expenditure on civil works in Delhi and its suburbs which was formerly accounted for under head "81—Capital Account of Civil Works outside the Revenue Account".

Multi-purpose River Schemes.—Provision is made here for the Centre's share of the capital outlay on the Damodar Valley Scheme and for the Central Water and Power Research Station, Poona. The estimates include Rs. 338 lakhs this year and Rs. 304·98 lakhs next year as the Centre's share of expenditure on the Damodar Valley Scheme. A provision of Rs. 4 lakhs in the Revised and Rs. 18 lakhs in the Budget has been made for the purchase of land and construction of buildings for the Research Station at Poona.

Electricity Schemes.—The details of the provision are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
			(In lakhs of Rupees)
Electricity Supply Schemes in :—			
Andamans	1·50	1·50	·84
Tripura	11·00	11·00	12·00
Manipur	16·47	2·25	16·90
Himachal Pradesh	25·00	14·00	38·21
North East Frontier Agency	..	5·00	9·50
Laccadive etc., Islands	..	..	·50
Naga Hills—Tuensang Area	..	5·00	7·00
TOTAL	53·97	38·75	84·95

Civil Works.—The provision included under this head relates to capital expenditure on roads and buildings, the latter at places other than Delhi. A broad analysis of the sums provided in the Revised and Budget Estimates is given below:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
			(In lakhs of Rupees)
National Highways and other Roads	12,50·00	13,50·00	13,15·00
Construction of houses for displaced persons	—2,43·98	—1,45·70	—2,26·38
Other buildings	5,21·78	5,23·50	7,49·33
TOTAL	15,27·80	17,27·80	18,37·95

The increase in Revised against National Highways and other Roads is due to accelerated progress in respect of works relating to Tripura, Himachal Pradesh and the border and tribal areas of Assam.

The original budget under construction of houses for displaced persons provided for a recovery of Rs. 3 crores as cost of Government buildings transferred to displaced persons in lieu of compensation. The Revised and Budget next year for this recovery have been assumed at Rs. 2 crores and Rs. 3 crores respectively. Corresponding debits appear under the head "Capital Outlay on Compensation to Displaced Persons".

The details of the major works in respect of buildings are, as usual, given in the Annexure to the Demand for Capital Outlay on Buildings.

Commutation of Pensions.—This head records the expenditure of commutation of pensions which depends upon the number of applications for commutation received and sanctioned. Provision is accordingly made on the trend of actuals and such other information as might be available with the Accounts officers.

The payments are, in the first instance, debited to the Capital head and then written back to revenue by a system of equated payments of principal and interest spread over 15 years. The gross payments estimated this year are Rs. 46·45 lakhs and next year Rs. 46·35 lakhs. The recoveries on account of the equated instalments and from State Governments would amount to Rs. 84·29 lakhs this year and Rs. 82.51 lakhs next year resulting in a minus expenditure of Rs. 37·84 lakhs in the Revised and Rs. 36·16 lakhs next year.

Sterling Pensions.—The payment made to the U.K. Government for purchase of annuities to meet India's Sterling Pensions under the Sterling Balances Agreement of 1948 was debited to this head. As a 1958, the U.K. Government have paid in February, 1959 a further sum result of the transfer of these pensions to the U.K. Government with effect from 1st April, 1955, the repayment of annuities by the U.K. Government has ceased. The U.K. Government on their part agreed to repay in 10 equal annual instalments commencing from 1st April, 1955, the outstanding balance on that date under this head less the capital value of the estimated future costs of the pensions transferred to them. In a Supplementary Agreement concluded with the U.K. Government on the 7th February, 1958, copies of which were laid before Parliament in February, 1958, it was agreed that pending the completion of actuarial calculation of the capitalised value of these pensions the amount refundable by the U.K. Government might be assumed at £ 40 million equivalent to Rs. 53·3 crores. It was also agreed that the instalments payable by that Government on the 1st April of each of the four years from 1958 to 1961 amounting to £ 16 million (Rs. 21·3 crores) would be paid in one instalment on the 1st April, 1958.

Under a further Supplementary Agreement arrived at in November, 1958, the U.K. Government have paid in February, 1959 further sum of £10 million towards the instalments payable on 1st April, 1962 and 1963 and one-half of the instalment payable on 1st April, 1964 (Rs. 13·3 crores).

A credit of Rs. 34·67 crores, equivalent to £ 26 million, has accordingly been taken under this head in the Revised estimates.

The net debit outstanding under the Capital head on 31st March, 1955, was Rs. 172 crores of which Rs. 53·33 crores, as stated earlier, were to be refunded by the U.K. Government. The balance outstanding under this head, representing the capital value of the estimated future costs of the pensions transferred to the U.K. Government has to be written back to revenue in annual equated instalments of principal and interest over a period of 30 years, after recovering the share due from State Governments, commercial departments, and the Defence Services.

The estimated recoveries on account of principal, to be credited to this head in the current and next year, are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget, Estimate, 1959-69
			(In lakhs of Rupees)
Amount refundable by the U. K. Government	—21,33·33	—34,66·67	..
Share recoverable from the States	—60·27	—60·27	—60·87
Share debitable to Defence Estimates	—2,34·00	—2,34·00	—2,36·34
Share recoverable from P. & T.	—4·79	—4·79	—4·84
Amount recoverable from Railways	—3·98	—3·98	—4·02
Amount met from Revenue (Civil)	—52·39	—52·39	—52·91
TOTAL	—24,88·76	—38,22·10	—3,58·98

The increased recovery in the Revised, is, as explained earlier, due to the additional payment of £ 10 million by the U.K. Government under the Supplementary Agreement of November, 1958.

Defence Capital Outlay.—Details appear in the Defence Budget. Budget this year provided for a gross expenditure of Rs. 30 crores. The gross expenditure this year remains unaltered at Rs. 30 crores but the next year's estimates have been placed at Rs. 36·94 crores, the increase being chiefly due to the additional requirements of the Ordnance Factories and Hindustan Aircraft Ltd. Credit has been taken under this head for Rs. 2·1 crores this year and Rs. 4·2 crores next year on account of sale proceeds of surplus stores.

Schemes of Government Trading.—This head accommodates the receipts and payments in connection with the various schemes of Government trading, the most important of which is purchase of foodgrains. The Revised shows a net increase of Rs. 26·12 crores of which Rs. 24·61 crores are attributable to the purchase of foodgrains. Gross expenditure on purchases of foodgrains is now expected to exceed the budget provision by Rs. 67·58 crores due mainly to larger imports of foodgrains from abroad; but these would be covered to the extent of Rs. 42·97 crores by larger sales. A part of the increase (Rs. 2·08 crores) in the Revised under this head is also due to less sales than anticipated of steel imported under the Indo-American Economic Aid Programme.

Budget next year is expected to result in a net increase of Rs. 3·01 crores over the current Revised. This is due to an increase of Rs. 2·21 crores under purchase of foodgrains resulting mainly from a decrease in sale proceeds and a provision of Rs. 1·41 crores for transfer to revenue of profit on sugar imported from abroad in earlier years.

Development Grants.—The details of the provision are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
		(In lakhs of Rupees)	
Local Works	400·00	395·10	500·10
Industrial Housing and Slum Clearance Schemes	303·00	301·00	548·00
Development Grants under Gadgil Committee's Award	52·47	40·18	17·08
National Rural Water Supply and Sanitation Schemes	200·00	200·00	300·00
Grants to States for roads of inter-State or economic importance	250·00	300·00	335·00
TOTAL	1205·47	1236·28	1700·08
Less—Amount written back to revenue	—336·30	—316·49	—407·58
NET	869·17	919·79	1292·50

This head records the expenditure on grants to States for development which, in view of its magnitude, is capitalised in the first instance and written back to revenue over a period of 15 years. The details of recoveries provided above are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
		(In lakhs of Rupees)	
Local Works	—135·67	—123·80	—50·14
Industrial Housing and Slum Clearance Scheme	..	..	—63·71
Grants under Gadgil Committee's Award	—60·35	—60·35	—70·03
National Rural Water Supply etc. Schemes	—24·00	—22·00	—35·33
Grants for roads	—69·69	—66·70	—88·37
TOTAL	—336·30	—316·49	—407·58

Compensation to Displaced Persons.—The current Budget provided for a gross expenditure of Rs. 18 crores for the payment of compensation to displaced persons from West Pakistan against which the Revised requirements are estimated at Rs. 15 crores only. This comprises Rs. 2 crores of Government property transferred as compensation, Rs. 5 crores against adjustment of loans and the balance of Rs. 8 crores as payments of cash compensation. Gross payments for compensation next year are estimated

at Rs. 13·2 crores of which Rs. 3 crores would represent transfer of Government property as compensation, Rs. 5 crores against adjustment of loans and Rs. 5·2 crores for cash compensation. These payments would be met to the extent of Rs. 6·77 crores this year and Rs. 4·5 crores next year from sale proceeds etc. of evacuee property transferred from revenue.

The net capital expenditure under this head is written back to Revenue over a period of 15 years. Rs. 216·69 lakhs this year and Rs. 415·39 lakhs next year have accordingly been included in the Revenue Demand relating to Expenditure on Displaced Persons and Minorities for which a credit has been taken under this head. The net estimates have accordingly been taken at Rs. 6·06 crores this year and Rs. 4·55 crores next year.

Dandakaranya Development Scheme.—This head accommodates expenditure on the development of Dandakaranya on the borders of Andhra Pradesh, Orissa, and Madhya Pradesh for the rehabilitation of displaced persons from East Pakistan. Against the Budget provision of Rs. 3 crores, expenditure this year is estimated at Rs. 1·24 crores and next year at Rs. 5·72 crores. The saving in the Revised is due mainly to slower progress of the scheme than anticipated.

Shipping, Tankers etc.—The current Budget included Rs. 40·5 lakhs for the purchase of one new sister-ship and launch for Andaman-Nicobar Islands, Rs. 15 lakhs for a Dredger-*cum*-Survey ship and Rs. 3 lakhs for the purchase of boats for Laccadive Islands. No expenditure is likely to be incurred this year on any of these items. Budget next year provides Rs. 46·30 lakhs for the ship for Andaman-Nicobar Islands, Rs. 30 lakhs for the Dredger-*cum*-Survey ship and Rs. 2 lakhs for boats for Laccadive Islands.

Transfer of Development assistance from the Government of U.S.A.—This head accommodates the transactions relating to the assistance received from U.S.A. under Development Assistance Programme and Public Law 480. The commodities received from U.S.A. under the Development Assistance Programme are fertilizers, iron and steel, surplus agricultural commodities (wheat and cotton), equipment for rural electrification, storage godowns, tubewells casing, equipments for malaria control, etc.

The surplus agricultural commodities received under this Programme are treated as sold to the Government of India and payment in rupees is made in India to the U.S.A. by debit to the head "85A—Capital Outlay on Schemes of Government Trading". In the case of other commodities also, the rupee equivalent of the value thereof is debited to the same head but no payment is required to be made to the U.S.A. and the amount is treated as lent to the Government of India for which credit is taken to the head "N—Public Debt—Development Assistance Loan from the Government of U.S.A." A part of the amount paid in rupees by the Government of India, on account of the surplus agricultural commodities is received back from the U.S. Government for utilization on approved projects and credit for such receipts is taken under revenue or public debt according as the amount received is a grant or a loan. The sale proceeds of all the commodities then realized are credited to the head "85-A", referred to above, and an amount equivalent to the net sale proceeds is simultaneously transferred to the "Fund from the Sale Proceeds of American Loan Commodities" by debit to the capital head "Transfer of Development Assistance from the Government of U.S.A."

The assistance received under Public Law 480 also is in the form of surplus agricultural commodities, mainly consisting of wheat, rice, cotton,

tobacco and dairy products. The accounting procedure is similar to the procedure indicated above for the Development Assistance Programme except that an amount equivalent to the loan assistance received, instead of the sale proceeds of the commodities, is debited to this capital head and transferred to the "Fund from Assistance under P.L. 480".

Budget for the current year included Rs. 78·47 crores of which Rs. 10·47 crores were in respect of the Development Assistance Programme and the balance of Rs. 68 crores for loan assistance under P.L. 480. Development Assistance is now estimated at Rs. 12·78 crores this year and Rs. 2·39 crores next year. The loan assistance under P.L. 480 has been assumed at Rs. 6 crores this year and Rs. 55 crores next year.

Other Works.—Current year's Budget included Rs. 1·5 crores for the construction of food godowns which are now estimated to cost Rs. 1·14 crores this year and Rs. 1·49 crores next year.

Other Civil Heads.—Broad details of the provision are given below:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
		(In lakhs of Rupees)	
Capital Outlay on Forests	9·51	9·00	13·97
Capital Outlay on India Security Press	11·07	5·43	11·00
Capital Outlay on Road and Water Transport Schemes	15·00	15·00	16·50
Payments to Retrenched Personnel	—·15	—·12	—·07
TOTAL	35·43	29·31	41·40

The provision on Capital Outlay on Forests is mainly in respect of buildings and equipment for the Forest Research Institute, Dehra Dun; development of Andaman Forests, Capital expenditure on forestry schemes in other Union Territories and for the purchase of land for Soil Conservation Research Demonstration and Training Centre at Kotah in Rajasthan.

The saving in the Revised under Capital Outlay on India Security Press is due to the delay in the construction of quarters and a hospital for the staff. The increase, next year, is due to the provision for construction of labour colony, staff quarters and a hospital.

Roads and Water Transport schemes include Rs. 4·5 lakhs this year and Rs. 4 lakhs next year for Manipur and Rs. 10·5 lakhs this year and Rs. 12·5 lakhs next year for Himachal Pradesh.

Discharge of Permanent Debt.—The details are as follows:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
			(In lakhs of Rupees)
(a) Rupee Debt.—			
(*i*) 3% Loan, 1958	14,00·00	15,00·00	..
(*ii*) 4½% Loan, 1958-68	5,20·00	5,65·00	..
(*iii*) 3% Second Victory Loan, 1959-61	..	..	110,00·00
(*iv*) Hyderabad 2½% Development Loan, 1954-59	..	..	7,00·00
(*v*) Expired Loans	80·00	85·00	47·00
(*vi*) 15-Year Annuity Certificates	15·00	12·00	20·00
TOTAL RUPEE DEBT	20,15·00	21,62·00	117,67·00

	Budget Estimates, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
			(In lakhs of Rupees)
(b) *Sterling Debt*—			
(i) India Stocks and Rly. Debenture Stocks .	40·00	40·00	1·41
(ii) State Rly. Annuities	48·13	48·13	..
TOTAL—STERLING DEBT . .	88·13	88·13	1·41
(c) *Other Debt*—			
(i) Loans from the International Bank for Reconstruction and Development—			
First Rly. Project loan	1,11·63	1,11·63	1,16·18
Bokaro-Konar Project	42·57	42·57	44·29
Second D. V. C. loan	14·95	14·95	15·71
(ii) Wheat loan from U. S. A. . . .	1,10·53	54·92	..
(iii) First Development Assistance loan from U.S.A. ($45m)	·47	·47	2·37
(iv) Loan from U. S. A. President's Development Loan Fund	..	..	2,31·31
(v) Loan from USSR for Bhilai Project . .	4,32·11	4,34·00	5,26·00
TOTAL—OEHER DEBT	7,12·26	6,58·54	9,35·86
GRANT TOTAL—	28,15·39	29,08·67	127,04·27

Discharge of Special Floating Debt.—This head records the discharge of the securities issued to the International Monetary Fund and International Bank for Reconstruction and Development in lieu of part payment of India's contribution to these Organizations. The credit for the securities in question was taken to "N—Public Debt" by debit to "Currency Capital Outlay".

Provision of Rs. 3·37 crores this year and Rs. 3·43 crores next year has been made for the encashment of a part of the securities issued to the I.B.R.D.

Inter-State Settlement.—Revised includes Rs. 12 lakhs as the Centre's share towards the redemption of 3 per cent. Loan, 1955-58 issued by the former Indian State of Cochin which was repaid by the Government of Kerala on the 16th December, 1958.

Advances to State Governments.—In order to ease the ways and means difficulties of the State Governments a revised procedure for release of Central assistance towards Plan Schemes has been introduced with effect from the current year. Under this procedure, three-fourths of the budget

provision for all loans and grants to be given to the State Governments for such schemes is paid in nine equal monthly instalments beginning from May. On receipt of the quarterly statements of expenditure from the State Governments for the period ending December, final sanctions are to be issued for the payment of the grants or the loans, as the case may be, by adjustment against the monthly advances made to the States. The advance payments are debited to this head but would be written back, before the close of the year, by minus debit.

Broad details of the advances are given below:—

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
			(In lakhs of Rupees)
Loans for—			
Agricultural and allied Schemes	33,55	39,35	47,08
Industrial Estates	1,50	1,50	2,73
Adoption of Metric system of weights and Measures	1	17	25
Development of Handloom Industry	1,50	1,50	1,15
Conversion of Handloom into Powerloom	1,50	50	80
Development of Small Scale Industries	3,19	3,19	3,40
Development of Coir Industry	10	10	13
Rehabilitation Schemes	..	45	45
Community Development Projects and National Extension Services and Co-operation Schemes	11,72	11,69	13,18
Students' Hostels and Educational Schemes	40	75	1,09
Industrial Schemes	2,00	1,50	1,70
Miscellaneous Development purposes including material and equipment under Foreign Assistance Programme	32,63	61,51	29,36
State Finance Corporations	20	..	20
Unforeseen Natural Calamities	1,00	4,00	1,00
Scheme for sharing of Small Savings collections	60,00	48,13	55,00
Ways and Means Advances	20,00	27,00	25,00
Purchase of Foodgrains by Jammu and Kashmir Government	1,50	1,50	75
Urban Water Supply and Drainage Schemes	6,25	7,39	10,50
Police Housing Scheme	2,00	3,00	3,00
Irrigation and Multipurpose River Schemes	70,12	79,82	81,81
Permanent improvement in scarcity affected areas	3,37	2,22	49

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate 1959-60
		(In lakhs of Rupees)	
Flood control	9,00	10,50	6,40
Expansion of Power Facilities	2,75	1,61	9
Development of Silk and Handicrafts Industries	50	36	29
Rehabilitation of Displaced Persons	8,34	8,00	10,37
Development of Minor Ports	50	25	35
Low and Middle Income Group Housing Schemes	5,80	5,80	7,00
Other Industrial Housing and Slum Clearance Schemes	4,80	4,51	7,59
Other Schemes	28	21	66
TOTAL—(GROSS)	284,51	326,51	312,69
Deduct—Amount met from Special Development and other Funds	—5,19	—26,10	—21,61
Net	279,32	300,41	291,08

These loans will be met partly out of the Special Development and other Funds as indicated below:—

Special Development Fund	3,17	24,29	20,11
Fund for benefit of Cotton Growers	37	31	35
Temporary Sugar Excise Fund	15	..	..
Fund for Development of Handloom and Khadi Industries	1,50	1,50	1,15
TOTAL	5,19	26,10	21,61

Other Loans and Advance —

Broad details are given below :—

Loans to—

Foreign Governments	5,16	8,45	6,20
Port Trusts	5,00	2,81	2,10
Delhi Municipal Corporation for Electric Supply Undertaking	30	30	60
Transport Undertaking	25	25	40
Water Supply and Sewage Disposal Undertaking	1,50	2,00	1,50
Other Capital expenditure	..	..	90
Other Local Funds	3,72	2,54	2,25
Cultivators	1,79	1,85	1,57
Opium Manufacturers	2	4	4
Salt Manufacturers	..	1	1
Rehabilitation Finance Administration	25	..	10
Refinance Corporation	21,00	5,00	5,00
Public Co-operation	3	..	3
National Project Construction Corporation	..	..	10

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimat, 1959-60
		(In lakhs of Rupees)	
Displaced persons (including Interim Relief to Displaced Persons)	67	37	96
Rehabilitation Industries Corporation	..	..	2,00
Development of Cottage, Small Scale, Handloom and Handicrafts Industries, etc.	45	48	29
All India Khadi and Village Industries Commission for Development of Ambar Charkha and Village and Khadi Industries	5,62	7,12	7,33
Construction of buildings and hostels for educational purposes	1,10	1,06	1,13
National Research Development Corporation	5	4	5
Private Shipping Companies for Coastal and Overseas Trade	5,86	6,68	4,83
Shipping Development Fund	1,00	1,00	5,06
Port Development Fund	..	62	..
Pivate Firms for Industrial Housing	40	40	50
Other Housing Schemes	51	49	58
Sindri Fertilisers and Chemicals, Ltd.	1,38	1,38	1,90
Indian Telephone Industries, Ltd.	12	12	9
Tata Iron and Steel Co. and Indian Iron and Steel Company	20	10	2,00
Hindustan Steel (Private) Ltd.	..	52,60	122,00
Hindusthan Insecticides, Ltd.	33	21	2
Hindustan Antibiotics Ltd.	..	..	20
Debenture Loan to Hindustan Cables, Ltd.	30	20	10
Debenture Loan to Hindustan Shipyard Ltd. for Dry Dock	4	4	..
National Instruments, Ltd.	2	..	26
Atul Products, Ltd.	50	41	20
Nepa Mills, Ltd.	..	33	..
Indian Airlines Corporation	48	..	..
Industrial Finance Corporation	3,00	3,00	7,25
National Industrial Development Corporation	3,10	2,00	2,90
National Small Industries Corporation	1,20	1,20	1,20

	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
			(In lakhs of Rupees)
National Coal Development Corporation	5,00	5,00	10,00
Singareni Collieries	..	60	40
Community Development Project and National Extension Services Schemes	6	9	14
Railway Development Fund	..	10,98	10,88
Machinery Manufacturers Corporation	..	5	..
Handicrafts Corporation	8	4	10
Other Loans and Advances including Loans to Govt. Servants	7,53	3,16	8,83
TOTAL	78,02	123,02	212,00
Less—Amount met from Special Development Fund and other Funds	—22,42	—7,11	—5,64
Net	55,60	115,91	206,36

These loans will be met partly out of the Special Development and other Funds as indicated below:—

Special Development Fund	21,30	5,00	5,10
Fund for Development of Handloom and Khadi Industries	1,00	2,11	54
Amount met from aid from U.N.I.C.E.F.	12	..	..
TOTAL	22,42	7,11	5,64

DEBT POSITION OF THE GOVERNMENT OF INDIA

The outstanding public debt of the Government of India is expected to amount to Rs. 4,067 crores at the end of the current year and Rs. 4,798 crores at the end of 1959-60. Details are given in Statement VI at the end of this section.

A broad analysis of the debt compared with the debt at the end of 1938-39 is given below:—

(In crores of Rupees)

Particulars	As on 31st March, 1939	As on 31st March, 1959	As on 31st March, 1960
Rupee Loans :			
Current Loans	4,37·87	2,183·80	2,292·25
Treasury Bills	46·30	1,275·12	1,512·12
Special Floating Loan	..	204·43	296·24
Expired Loans	·65	12·12	15·85
TOTAL	4,84·82	3,675·47	4,116·46
Sterling Loans :			
Current Loans	3,96·50	22·12	58·11
War Contribution	20·62	20·62	20·62
Capital Portion of Railway Annuities	47·82	..	..
U. K. Syndicate of Banks	..	8·67	13·33
Expired Loans	·01	·03	·03
TOTAL	4,64·95	51·44	92·09
Dollar Loans (U.S.A.)	..	246.60	415.16
Dollar Loans (Canada)	..	15·71	15·71
Loan from U.S.S.R.	..	40·89	61·34
Loans from West Germany	..	35·71	64·66
Loans from Japan	..	1·00	12·79
Loan to be negotiated next year	..	..	20·00
TOTAL—PUBLIC DEBT	9,49·77	4,066·82	4,798·21

Excluding the war contribution, the liability in respect of which remains suspended, the total outstanding debt will be Rs. 4,046 crores at the end of the current year and Rs. 4,778 crores at the end of 1959-60. At the end of the Budget year, the outstanding debt would, as compared with the figure at the end of 1938-39, have risen by Rs. 3,848 crores.

In addition the Government are liable to repay the balances in the various Provident Funds, the Post Office Savings Bank, the Post Office Cash, National Savings, National Plan, National Plan Savings, and Treasury Savings Deposit Certificates, deposits under the Cumulative Time Deposits Scheme, the Depreciation and Reserve Funds of the Railways, Posts and Telegraphs, etc., and certain other deposits, mainly relating to deposits of Income-tax, super-tax etc. These balances are estimated to amount to Rs. 1,134 crores at the end of the current year and Rs. 1,223 crores at the end of 1959-60, after making a very rough

allowance for Pakistan's probable share in them. Taking the regular debt and these liabilities together the debt position of the Government of India will stand as follows:—

(In crores of Rupees)

	On 31st March, 1959	On 31st March, 1960
Regular Loans	4066.82	4798·21
Other Liabilities	1133·97	1222·61
British War Loan	—20·62	—20·62
TOTAL	5180·17	6000·20

This outstanding debt may be analysed with reference to the purpose on which the money has been utilised or the assets by which it is covered. An analysis is given below:—

(In round crores of Rupees)

	As on 31st March, 1959	As on 31st March, 1960
Railways	1,343	1,465
Posts and Telegraphs and other Commercial Departments (including Damodar Valley Corporation)	187	210
Investment in Commercial concerns (Industrial Development)	465	519
Loans and Advances	1,732	2,119
Amount recoverable from the U.K. and the States on account of—		
Purchase of annuities for sterling pensions	21	20
Subscription to the International Monetary Fund	190	286
Purchase of shares of the I.B.R.D.	38	38
Debt due from Pakistan	300	300
Cash and other investments	58	56
TOTAL	4,334	5,013

Allowing for these, the uncovered debt will amount to Rs. 987 crores at the end of the Budget year against the pre-war figure of Rs. 1,88 crores. The whole of this cannot, however, be called unproductive debt, for the large grants to States for development in recent years which increase the productive capacity of the country as a whole are not entirely unremunerative, and similarly, the large capital outlay on Central property, the value of which is either not shown at all in the Government's accounts or is shown as non-commercial (such as the Delhi Capital Outlay and Defence Capital Outlay) is not without value.

The statement below analyses the interest bearing obligations of the Government of India and the interest yielding assets held by them.

(In crores of Rupees)

	(At the end of) 1938-39 (Pre-war year)	1958-59 Revised	1959-60 Budget
INTEREST-BEARING OBLIGATIONS —			
In India			
Public Debt—			
Loans	4,37·87	2183·80	2292·25
Treasury Bills	46·30	1275·12	1512·12
Special Floating Loan	..	..	23·81
TOTAL—PUBLIC DEBT (INDIA)	4,84·17	3458·92	3828·18
Unfunded Debt—			
Service Funds	1·03	·26	·24
10-Year Treasury Savings Deposit Certificates	..	55·67	64·17
Post Office Savings Bank Deposits	81·88	357·72	377·72
12-Year National Plan Savings Certificates	..	151·44	236·94
Comulative Time Deposits	..	·50	2·50
Post Office Cash and Defence Savings Certificates	59·57	1·02	·29
National Savings Certificates	..	189·34	161·07
10-Year National Plan Certificates	..	20·93	17·93
State Provident Funds	72·40	212·44	232·53
Other Items	10·25	17·30	18·61
TOTAL—UNFUNDED DEBT (INDIA)	2,25·13	1006·62	1112·00
Deposits—			
Depreciation Development and Reserve Funds	27·34	113.61	97·07
Other Deposits	..	13·74	13·54
TOTAL—DEPOSITS (INDIA)	27·34	127·35	110·61
TOTAL—OBLIGATIONS IN INDIA	7,36·64	4592·89	5050·79
Other Public Debt—			
In England			
Loans	3,96·50	22·12	58·11
U. K. Syndicate of Banks	..	8·67	13·33
Capital Portion of Railway annuities in purchase of Railways	47·82	..	..
TOTAL—PUBLIC DEBT (ENGLAND)	4,44·32	30.79	71·44
DOLLAR LOANS (U.S.A)	..	246.60	415·16
DOLLAR LOANS (CANADA)	..	15·71	15·71
LOAN FROM U.S.S.R.	..	40·89	61·34
LOAN FROM WEST GERMANY	..	35·71	64·66
LOAN FROM JAPAN	..	1·00	12.79
NEW LOANS TO BE NEGOTIATED	..	..	20·00
TOTAL—INTEREST BEARING OBLIGATIONS	1180·96	4963·59	5711·89

(In crores of Rupees)

(At the end of)

	1938-39 (Pre-war year)	1958-59 Revised	1959-60 Budget
INTEREST-YIELDING ASSETS—			
Capital advanced to Railways	7,25·24	1,343·31	1,465·12
Capital advanced to other Commercial Departments (including Damodar Valley Corporation)	27·42	186·49	209·37
Investment in Commercial Concerns (Industrial Development)	..	416·71	461·00
Capital advanced to States	1,23·28	1,432·60	1,628·31
Other interest bearing loans	20·71	299·21	490·25
Amount recoverable from the U. K. and the States on account of purchase of annuities for Sterling Pensions	..	20·64	20·03
Debt due from Pakistan	..	300·00	300·00
TOTAL—INTEREST-YIELDING ASSETS	8,96·65	3,998·96	4,574·08
Cash and Securities held on Treasury Account	30·30	57·61	55·76
Balance of total interest-bearing obligations not covered by above assets	2,74·63	9,07·02	1,082·05

Note 1.—The outstandings at the end of each year are shown in the statement. The accounts for the year 1947-48 (pre-partition) and 1957-58 have not yet been closed finally and the figures have, therefore, been worked out on the best information available

Note 2.—Sterling obligations have been converted into Rupees at 1*sh.* 6*d.* to the Rupee.

Note 3.—The figure entered for debt due from Pakistan is a very rough guess.

STATEMENT VI

OUTSTANDING PUBLIC DEBT OF THE GOVERNMENT OF INDIA

(In lakhs of Rupees)

Particulars	Date of Issue	Earliest date of maturity	Estimated amount on 31st March, 1959	Estimated amount on 31st March, 1960
(1)	(2)	(3)	(4)	(5)
A—RUPEE LOANS :				
I—Current Loans :				
Terminable Loans				
4% Loan, 1960-70	15th Sept. 1926	15th Sept. 1960	63,30	63,30
3% Loan, 1963-65	1st June 1938	1st June 1963	116,17	116,17
3% Funding Loan 1966-68.	22nd Oct. 1943	1st Oct. 1966	110,12	110,12
3% Second Victory Loan 1959-61	19th March 1945	15th Aug. 1959	113,66	3,66
3% First Development Loan 1970-75	16th April 1945	15th Oct. 1970	115,06	115,06
2½% Loan, 1960	15th Jan. 1946	15th Jul. 1960	45,63	45,63
2½ Loan 1961	1st Aug. 1946	1st Aug. 1961	57,01	57,01
2¾ Loan, 1976	16th Sept. 1946	16th Sept. 1976	14,77	14,77
2¾% Loan, 1962	15th Nov. 1947	15th Nov. 1962	75,87	75,87
3% Loan, 1964	19th June 1950	15th June 1964	30,33	30,33
3½% National Plan Bonds, 1961 (First Issue)	8th June 1953	1st June 1961	75,29	75,29
3½% National Plan Loan, 1964	19th April 1954	19th April 1964	158,18	158,18
3½% National Plan Bonds—Second Series (3½% 1965)	1st July 1955	1st July 1965	103,68	103,68
3 1/4 Bonds, 1962	16th July 1956	16th July 1962	87,27	87,27
3½% National Plan Bonds—Third Series (3½% 1967)	16th July 1956	16th July 1967	63,82	63,82
3¾% Loan 1974	16th July 1956	16th July 1974	66,64	66,64
4% Loan 1972	5th Aug. 1957	1st Aug. 1972	49,17	49,17
3¾% National Plan Bonds—Fourth Series	5th Aug. 1957	1st Aug. 1967	56,99	56,99
3½% Bonds 1963	12th May 1958	12th May 1963	58,56	58,56
3¾% National Plan Bonds (Fifth Series 1968)	12th May 1958	12th May 1968	34,34	34,34
4% Loan 1973	12th May 1958	12th May 1973	49,51	49,51
4% Loan 1973 (Ad hoc issue)	1st July 1958	12th May 1973	300,00	300,00
3½% Loan 1968	26th Aug. 1958	26th Aug. 1968	30,00	30,00
New Loans	To be floated in 1959-60		..	225,00
Bhopal Loans				
3% Loan, 1966-76	12th Nov. 1946	Repayable at par on 15-11-76 but the Government have the option of repaying at any time after 15h November, 1966, with 6 months' notice	1,22	1,22

(In lakhs of Rupees)

(1)	(2)	(3)	(4)	(5)
Hyderabad Loans—				
3% Loan, 1951-61	1st August 1941	1st August, 1961 or any day after 1st August, 1951 on giving three calendar months' notice	6,59	6,59
2½% Loan, 1953-63	16th Oct. 1943	16th October, 1963 or any day after 16th October, 1953 on giving three calendar months' notice.	5,38	5,38
2½% Development Loan, 1954-59.	16th October, 1954	16th October, 1959 or any day after 16th October, 1954 on giving three calendar months' notice	7,55	..
2¼% Second Development Loan, 1955-60.	1st Nov. 1946	1st November, 1960 or any day after 1st November, 1955 on giving three calendar months' notice.	4,24	4,24
4% Hyderabad State Dev. Loan, 1963	15th Oct. 1953	15th Oct. 1963	3,35	3,35
1¼% Loan, 1964	30th Oct. 1956	30th Oct. 1964	3,86	3,86
4% Hyderabad State Dev. Loan, 1967.	1st Sep. 1955	1st Sep. 1967	2,12	2,12
4% Hyderabad State Dev. Loan, 1968.	3rd Sep. 1956	3rd Sep. 1968	2,18	2,18
2¾% Loan 1974	1st April 1954	1st April 1974	4,40	4,40
2¾% Loan, 1975	1st Jan. 1950	1st Jan. 1975	6,86	6,89
Old Rly. Shares			29	26
Non-Terminable Loans.				
3% 1896-97	22nd July 1896	At the option of the Govt. of India after 3 months' notice.	8,93	8,93
3% Conversion Loan, 1946.	16th Sep. 1946	At any time on or after 16th Sept. 1986 subject to three months' notice.	248,91	248,91
Annuity Certificates—				
15-year Annuity Certificates			2,55	2,55
TOTAL—CURRENT LOANS			2,183,80	2,292,25
II—Trury Bills :				
Sold to Reserve Bank			1,169,52	1,406,52
Sold to Others			105,60	105,60
TOTAL—TREASURY BILLS			1,275,12	1,512,21

(In lakhs of Rupees)

(1)	(2)	(3)	(4)	(5)
III—Special Floating Loan —				
Issued to the International Monetary Fund	..	..	175,46	246,89
Issued to the International Bank for Reconstruction and Development			28,97	25,54
Issued to the Reserve Bank of India			..	23,81
		TOTAL—SPECIAL FLOATING LOANS	204,43	296,24
IV—Expired Loans—				
Sundry loans			12,12	15,85
		TOTAL—RUPEE LOANS	3,675,47	4,116,46
B—STERLING LOANS :				
Current Loans (U. K. Govt.)			22,00	58,00
India Stocks and Rly. Debenture Stocks			12	11
War Contribution			20,62	20,62
Expired Loans			3	3
U.K. Syndicate of Banks (For Durgapur Steel Project)			8,67	13,33
		TOTAL—STERLING LOANS	51,44	92,09
C—DOLLAR LOANS :				
I—Loans from the International Bank for Reconstruction and Development :				
Railway Project Loans			63,94	62,78
Bokaro Konor Project Loan (D.V.C. I)			6,32	5,88
Damodar Valley Project Loan (D.V.C. II)			4,14	3,98
Damodar Valley Project (D.V.C. III)			7,16	9,52
Loans for Other Project			..	27,00
II—Loans from the Government of U.S.A. :				
Loan for purchase of American wheat			89,23	89,23
Development Assistance Loan			40,10	52,02
Loans under PL 480			6,00	61,00
Loans from USA Loan Fund of $225 million				
U. S. Export-Import Bank			2,00	27,25
Development Loan Fund I			14,38	30,34
Developmens Loan Fund II			13,33	45,37
U. S. A. President's Development Fund Loan			..	79
Loans from Canada Loan for purchase of wheat			15,71	15,71
		TOTAL—DOLLAR LOAN	262,31	430,87

(In lakhs of Rupees)

(1)	(2)	(3)	(4)	(5)
D—LOANS FROM U.S.S.R.:				
Loan for the Steel Project at Bhillai . .			40,89	61,34
E—LOANS FROM WEST GERMANY :				
Loans in respect of deferred payment for the Steel Project at Rourkela . . .			35,71	64,66
F. Loans from Japan .			1,00	12,79
G. Loans to be negotiated next year.				
Sundry new loans			..	20,00
		TOTAL—PUBLIC DEBT. . .	4,066,82	4,798,21

ANNEXURES

ANNEXURE I

DISTRIBUTION OF REVENUE AND EXPENDITURE

(In lakhs of Rupees)

Year	Tax Revenue	Cost of Collection	Net Tax Revenue	Net Revenue from Commercial Departments	Opium (Receipts *less* Expenditure)	Currency and Mint (Receipts *less* Expenditure)	Interest Receipts	Extraordinary Receipts	Other Revenue	Total *net* Revenue	Interest on Debt	Reduction or avoidance of Debt	Extraordinary Items	Defence Expenditure (Net)	Other Expenditure	Net Capital Outlay of Commercial Department met from Revenue	Total net Expenditure	Surplus + Deficit—
1948-49 . .	3,17,28	7,37	3,09,91	9,66	35	10,50	1,61	14,37	12,52	3,58,92	37,53	5,00	19,45	1,46,06	1,00,03	1	3,08,08	+50,84
1949-50 . .	3,09,33	11,71	2,97,62	9,32	—4	9,14	1,36	1,33	14,30	3,33,03	34,43	5,00	11,54	1,48,86	99,96	...	2,99,79	+33,24
1950-51 . .	3,53,61	10,25	3,43,36	10,40	1,96	9,71	2,13	70	25,20	3,93,46	32,36	5,00	7,03	1,64,13	1,25,60	12	3,34,24	+59,22
1951-52 . .	4,56,59	12,88	4,43,71	10,29	70	8,79	1,77	5,59	23,65	4,94,50	34,00	5,00	10,91	1,70,96	1,45,45	9	3,66,41	+1,28,09
1952-53 .	3,65,02	11,02	3,54,00	8,96	55	7,22	2,91	3,91	19,90	3,97,45	31,50	5,00	10,15	1,79,52	1,32,20	15	3,58,52	+38,93
1953-54 . .	3,43,13	10,69	3,32,44	9,33	—62	13,14	2,91	2,51	20,22	3,79,93	35,82	5,00	11,78	1,86,30	1,32,46	7	3,71,43	+8,50
1954-55 . .	3,79,75	11,33	3,68,42	9,25	58	17,42	3,86	46	20,21	4,20,20	34,72	5,00	15,25	1,86,66	1,45,02	4	3,86,69	+33,51
1955-56 . .	4,06,97	12,50	3,94,47	9,24	54	19,75	2,84	11	38,89	4,65,84	38,14	5,00	10,40	1,72,28	1,99,49	4	4,25,39	+40,45
1956-57 . .	4,89,75	14,45	4,75,30	12,15	68	19,44	5,65	1,08	32,59	5,46,89	34,06	5,00	10,40	1,92,15	2,15,88	..	4,57,49	+89,40
1957-58 . .	5,71,56	16,55	5,55,01	9,89	89	26,04	6,18	2	57,93	6,55,96	37,08	5,00	11,51	2,56,72	3,03,60	..	6,13,91	+42,05
1958-59 (Budget)	5,67,84	18,98	5,48,36	9,26	45	28,13	6,60	14,00	58,19	6,64,99	35,00	5,00	28,40	2,78,14	3,46,47	..	6,93,01	—28,02
1958-59 (Revised)	5,26,84	20,09	5,06,75	11,62	61	25,62	8,36	1,00	65,85	6,19,81	37,06	5,00	15,21	2,66,87	3,55,62	..	6,79,76	—59,95
1959-60 (Budget)	5,54,04	21,43	5,32,61	10,02	82	45,77	10,75	15,14	54,48	6,69,59	52,88	5,00	35,26	2,42,68	3,92,85	..	7,28,67	—58,08

NOTE—Accounts from 1948-49 to 1957-58 have not been finally closed and the figures given here are only provisional.

ANNEXURE II

ANALYSIS OF TAX REVENUE INCLUDED IN ANNEXURE I

(In lakhs of Rupees)

Year	Revenue from Customs	Revenue from Union Excise Duties	Cost of Collection	Revenue from Taxes on Income including Corporation Tax (excluding States' share)	Cost of Collection	Revenue from Estate Duty (excluding States' share)	Cost of Collection	Taxes on Wealth	Cost of Collection	Expenditure Tax	Cost of Collection	Taxes on Railway Passenger Fares	Cost of Collection	Gift Tax	Cost of Collection	Other Tax Revenue	Cost of Collection	Total Gross Tax Revenue	Transfers to Central Road Fund	States' share of divisible Excise Duty	Tax Revenue retained by Union Government	Total Cost of Collection	Total net Tax Revenue
1948-49	1,26,16	50,63	4,07	1,39,98	1,82	..	..	..	..	..	..	..	..	..	..	3,19	1,48	3,19,96	2,68	..	3,17,28	7,37	3,09,91
1949-50	1,24,71	67,85	8,15	1,15,37	2,01	..	..	..	..	..	..	..	..	..	..	3,60	1,55	3,11,53	2,20	..	3,09,33	11,71	2,97,62
1950-51	1,57,15	67,54	5,91	1,25,71	2,44	..	..	..	..	..	..	..	..	..	..	6,61	1,90	3,57,01	3,40	..	3,53,61	10,25	3,43,36
1951-52	2,31,69	85,78	8,35	1,34,74	2,70	..	..	..	..	..	..	..	..	..	..	7,78	1,83	4,59,99	3,40	..	4,56,59	12,88	4,43,71
1952-53	1,73,75	83,03	6,65	1,28,25	3,04	..	..	..	..	..	..	..	..	..	..	2,02	1,33	3,87,05	5,20	16,83	3,65,02	11,02	3,54,00
1953-54	1,58,71	94,98	6,11	1,07,08	3,24	..	..	..	..	..	..	..	..	..	..	2,51	1,34	3,63,28	4,60	15,55	3,43,13	10,69	3,32,44
1954-55	1,84,87	1,08,22	6,35	1,03,64	3,45	24	..	..	..	..	..	..	..	..	..	2,29	1,53	3,99,26	4,40	15,11	3,79,75	11,33	3,68,42
1955-56	1,66,70	1,45,25	6,76	1,13,24	3,81	—5	..	..	..	..	..	..	..	..	..	2,90	1,93	4,28,04	4,50	16,57	4,06,97	12,50	3,94,47
1956-57	1,73,23	1,90,43	7,91	1,44,17	4,26	—30	..	..	..	..	..	..	..	..	..	4,44	2,28	5,11,97	4,00	18,22	4,89,75	14,45	4,75,30
1957-58	1,79,99	2,73,62	8,68	1,46,40	*4,65	—9	..	7,04	..	..	..	—73	..	..	..	9,30	3,22	6,15,53	3,75	40,22	5,71,56	16,55	5,55,01
1958-59 (Budget)	1,70,00	3,04,76	9,84	1,40,03	5,11	12	10	12,50	14	3,00	3	7	5	2,00	..	7,83	3,71	6,40,31	4,00	68,97	5,67,34	18,98	5,48,36
1958-59 (Revised)	1,36,00	3,01,15	9.52	1,42,70	4,78	12	10	10,00	22	1,00	2	11	8	1,20	4	10,85	5,33	6,03,13	3,30	72,99	5,26,84	20,09	5,06,75
1959-60 (Budget)	1,32,77	3,26,71	10,02	1,46,38	5,16	14	11	13,00	24	1,00	2	11	8	1,20	5	11,12	5,75	6,32,43	3,60	74,79	5,54,04	21,43	5,32,61

* Includes figures in respect of cost of collection of Estate Duty.

ANNEXURE III

ANALYSIS OF INTEREST PAYMENTS INCLUDED IN ANNEXURE I

(In lakhs of Rupees)

Year	Interest on Ordinary Debt	Interest on unfunded debt and other obligations									Total Interest on Unfunded Debt & other Obligations	Amounts transferred to						Total Interest Payments (net
		Bonus on P.O. Certificates	Post Office Savings Bank	State Provident Funds	Service Funds	Railway Reserve Fund	Railway Development Fund	Railway Depreciation Fund	P. & T. Renewals Reserve Fund	Other Items		Railways	Irrigation	Posts and Telegraphs	States	Other Heads	Total Transfers	
1948-49 . .	46,77	3,03	2,41	2,53	16	21	44	3,16	18	4,14	16,26	22,36	1	94	1,98	21	25,50	37,53
1949-50 . .	47,86	3,34	2,90	3,18	16	21	42	3,35	17	2,28	16,01	23,18	1	97	2,84	2,44	29,44	34,43
1950-51 . .	45,37	4,63	3,27	3,54	16	33	53	3,59	18	3,63	19,86	26,01	1	1,16	3,28	2,41	32,87	32,36
1951-52 . .	46,20	4,65	3,57	3,62	15	76	65	3,58	18	6,23	23,39	26,47	1	1,30	5,19	2,62	35,59	34,00
1952-53 . .	44,57	5,18	3,94	4,03	8	1,06	76	4,09	17	6,77	26,09	26,89	1	1,53	7,84	2,89	39,16	31,50
1953-54 . .	52,57	6,05	4,21	4,65	14	1,12	74	3,61	17	4,89	25,58	27,41	1	1,73	9,95	2,93	42,03	35,82
1954-55 . .	56,82	10,85		4,93	11	1,17	60	3,35	17	4,67	25,85	28,28	1	1,94	15,02	2,69	47,94	34,72
1955-56 . .	62,65	12,79		5,61	..	1,35	49	3,26	19	4,69	28,38	30,32	1	2,21	17,89	2,46	52,89	38,14
1956-57 . .	68,94	8,62	5,65	6,07	2	1,46	43	2,09	20	5,93	30,47	32,30	..	2,51	28,32	2,22	65,35	34,06
1957-58 . .	83,15	9,36	7,33	6,91	2	1,59	26	3,16	21	5,76	34,60	38,11	..	2,78	34,99	4,79	80,67	37,08
1958-59 (Budget)	98,54	9,74	8,07	7,35	2	1,67	18	2,77	28	5,81	35,89	42,54	..	3,17	50,10	3,62	99,43	35,00
1958-59 (Revised)	100,54	9,47	8,04	7,61	2	1,08	..	2,44	29	6,44	35,39	43,62	..	3,18	48,36	3,71	98,87	37,06
1959-60 (Budget)	124,17	12,29	8,42	8,18	2	1,73	..	1,58	36	6,47	39,05	48,43	..	3,63	54,21	4,07	110,34	52,88

ANNEXURE IV

ANALYSIS OF "OTHER EXPENDITURE" INCLUDED IN ANNEXURE I

(In lakhs of Rupees)

Year	Forest Expenditure	Civil Administration	Famine	Miscellaneous				Civil Works	Grants-in-aid, Subvention to State, etc.	Total
				Superannuation Allowance etc.	Stationery and Printing	Miscellaneous	Total			
1948-49	68	35,50	..	2,50	2,32	52,07	56,89	2,94	2,96	1,00,03
1949-50	91	39,30	2	2,61	2,36	47,47	52,46	4,33	2,96	99,96
1950-51	1,36	48,80	6	6,99	1,54	44,28	52,87	6,98	15,59	1,25,60
1951-52	1,37	53,67	39	8,55	1,41	54,79	65,14	7,96	17,31	1,45,45
1952-53	92	51,71	13	7,84	2,64	38,25	48,86	7,91	22,80	1,32,20
1953-54	1,01	64,17	..	8,60	2,81	20,71	32,12	9,25	25,91	1,32,46
1954-55	1,21	75,11	..	8,87	2,31	18,68	29,86	9,05	29,79	1,45,02
1955-56	1,68	94,08	..	8,97	2,43	48,82	60,22	7,64	35,87	1,99,49
1956-57	2,14	1,22,29	7	8,97	1,27	42,34	52,65	10,54	28,26	2,15,88
1957-58	3,02	1,68,00	2	9,24	2,98	61,03	73,25	13,41	45,90	3,03,60
1958-59 (Budget)	4,08	2,00,44	..	9,40	2,57	68,24	80,21	14,71	47,03	3,46,47
1958-59 (Revised)	3 84	1,97,72	4	9,53	2,94	79,58	92,05	15,02	46,95	3,55,62
1959-60 (Budget)	4,73	2,22,73	..	9,63	2,66	88,33	1 00,62	15,75	49,02	3,92,85

ANNEXURE V

ANALYSIS OF EXPENDITURE ON "CIVIL ADMINISTRATION" INCLUDED IN ANNEXURE

(In lakhs of Rupees)

Year	General Administration	Audit	Administration of Justice	Jails	Police	Ports and Pilotage	Mercantile Marine	Lighthouses and Lightships	Ecclesiastical	Payments to Crown Representative	Tribal Areas	External Affairs	Scientific Departments	Education	Medical	Public Health	Agriculture	Rural Development	Animal Husbandry	Co-operation	Industries	Aviation	Broadcasting	Miscellaneous Deptt.	Total
1948-49 .	7,40	2,27	24	11	1,69	58	..	10	5	..	99	2,86	2,85	1,44	84	56	1,87	..	37	2	6,20	1,88	1,31	1,93	35,56
1949-50 .	8,96	2,51	25	12	2,10	71	..	7	5	..	1,24	3,07	3,83	1,66	94	72	1,28	..	31	2	5,13	2,19	1,64	2,50	39,30
1950-51 .	8,89	3,52	45	19	3,04	63	..	12	—2	..	1,56	3,65	4,35	3,28	1,32	68	2,33	2	32	3	6,55	2,98	1,72	3,88	48,80
1951-52 .	9,94	4,01	42	20	3,80	72	..	16	..	..	1,74	3,98	5,18	4,08	1,51	80	2,21	2	32	4	6,09	2,66	1,95	3,84	53,67
1952-53 .	9,45	4,37	17	5	2,91	83	..	20	..	..	2,16	4,19	6,24	8,32	72	69	2,22	..	30	1	5,48	2,72	1,92	3,75	51,71
1953-54 .	10,06	4,81	18	4	3,16	77	..	19	..	..	3,03	4,56	6,80	4,30	74	87	2,34	...	34	1	12,38	2,39	2,09	4,21	64,17
1954-55 .	11,69	5,32	22	4	4,10	80	..	23	..	..	3,81	5,44	7,60	9,43	1,23	1,51	3,29	1	34	1	11,61	2,44	2,26	3,75	75,11
1955-56	12,70	5,45	21	4	4,17	89	..	35	..	..	5,01	5,99	8,92	14,23	1,46	2,86	6,57	30	51	6	13,76	2,53	2,68	5,89	94,08
1956-57 .	14,06	5,99	26	8	6,58	80	..	45	..	..	4,18	6,91	11,33	19,44	2,87	3,35	7,46	48	93	74	20,93	2,79	3,18	9,48	1,22,29
1958-59 .	14,74	6,47	39	13	7,81	79	..	17	..	..	5,46	7,00	13,23	20,98	4,52	8,69	10,61	72	95	99	47,05	2,89	3,45	10,96	1,68,00
1958-59(Budget)	16,34	7,26	42	14	8,27	46	61	48	..	..	9,41	7,50	17,79	29,63	6,15	9,88	1 87	85	1,53	1,39	46,16	3,25	3,74	15,31	2,00,44
1958-59(Revised)	16,20	7,18	44	14	8,25	38	60	50	..	..	10,79	7,50	17,09	28,23	5,55	9,65	13,54	87	1,36	2,20	45,09	3,32	3,87	14,97	1,97,72
1959-60(Budget)	16,13	7,65	44	14	8,92	44	68	48	..	..	11,31	8,37	23,27	38,12	6,93	10,00	14,18	1,09	2,53	2,83	44,80	3,60	4,15	16,67	2,22,73

ANNEXURE VI

List of New Items of Expenditure costing rupees Five Lakhs and above included in the Budget for 1959-60.

All New Items of expenditure are shown in thick type in Part III of the Demand giving details of provision in each Demand. For this purpose expenditure on new schemes sanctioned in previous years is also treated as new expenditure. The list below shows with brief explanatory notes the provisions in the Budget for 1959-60 in respect of important schemes costing Rs. 5 lakhs and over:—

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF COMMERCE AND INDUSTRY	
2—INDUSTRIES	
DEVELOPMENT OF SMALL SCALE INDUSTRIES	
The provision has been made for grants to State Governments for development of Small Scale Industries.	1,30,00
TRAINING OF INDIAN TECHNICIANS	
The provision of Rs. 20·68 lakhs includes Rs. 9·31 lakhs for securing the services of experts from the industrially advanced countries, in order to make their knowledge and experience available to Small Scale Industries in India and Rs. 1·5 lakhs for the training of Indian Technicians abroad in the modern techniques of production	20,68
INSTITUTES FOR SMALL SCALE INDUSTRIES	
The provision is intended to cover the expenditure on 15 Semi-Institutes and 4 Branch institutes with sixty Extension Centres which provide technical assistance to small industrial units	1,28,22
DEVELOPMENT OF HANDLOOM INDUSTRY	
A part of the expenditure on the development of Handloom Industry will be met from the Cess on mill made cloth levied for the purpose .	3,57,90
NATIONAL SMALL INDUSTRIES CORPORATION	
The provision is intended to meet the expenses of the Corporation which will help the small scale industries to sell their products. The Corporation is responsible for running two Industrial Estates at Okhla and Allahabad and also prototype training Centre and prototype-*cum*-production Centre proposed to be set up at New Delhi and Rajkot with the assistance of West German Government and the T.C.M. authorities respectively .	45,50
CONVERSION OF HANDLOOM INTO POWERLOOM	
The provision is intended to defray the expenses in connection with conversion of handloom into powerloom with a view to increase the economic efficiency of the handloom industry in pursuance of the recommendations of the Textile Enquiry Committee	15,00
TEXTILE DEVELOPMENT AND RESEARCH	
The provision has been made for meeting initial payments to the various textile Research Institutes and Export Promotion Councils. The entire expenditure is recoverable from the Cotton Textile Fund	32,15

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF COMMERCE AND INDUSTRY—*contd.*	
CONTRIBUTION TO INDIAN STANDARDS INSTITUTE	
The provision is intended to give financial assistance to this Institution. It formulates standards of measurements, quality and performances of materials manufactured or consumed in India	12,45
EXPORT PROMOTION COUNCIL	
The provision is for partial contribution towards the expenses of the various councils which have been set up to promote India's exports in specified commodities	15,78
NATIONAL INDUSTRIAL DEVELOPMENT CORPORATION	
The provision is intended mainly for giving grants to the Corporation for the purpose of study, investigation and formulation of projects and building up a corps of technical and managerial staff	15,00
DEVELOPMENT OF HANDICRAFTS	
The provision has been made for grants to the State Governments and for expenditure of the All India Handicrafts Board	47,00
HANDICRAFTS CORPORATION	
The provision is for promotion of export of Indian handicrafts to foreign countries	10,00
KHADI AND VILLAGE INDUSTRIES COMMISSION	
Provision is intended for the production of khadi on traditional lines and Ambar Charkha and for the development of various cottage and village industries	10,70,0
DEVELOPMENT OF SILK INDUSTRY . . .	61,70
DEVELOPMENT OF COIR INDUSTRY . . .	7,00
NATIONAL PRODUCTIVITY COUNCIL	
The provision is meant for carrying out the programme of National Productivity Council which aims at increasing the efficiency in production	15,00
5—MISCELLANEOUS DEPARTMENTS AND EXPENDITURE UNDER THE MINISTRY OF COMMERCE AND INDUSTRY	
TRADE DEMONSTRATION AND PROPAGANDA	
The provision is intended for organising Indian Exhibitions and for participating in the exhibitions and trade fairs held in foreign countries with a view to popularising Indian products in those countries and also for supply of cottage industries products to exhibitions, trade centres and showrooms in addition to establishment charges	56,64
TRADE PROMOTION ORGANISATION IN HUMBURG (WEST GERMANY)	
The provision has been made for setting up of an office in Humburg for exploring the possibilities of export of Indian goods . . .	5,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF COMMERCE AND INDUSTRY—*concld.*	
107—CAPITAL OUTLAY OF THE MINISTRY OF COMMERCE AND INDUSTRY	
BAYER INTERMEDIATE PROJECT	
Provision is meant for setting up of the project manufacturing basic organic chemicals and intermediates	6,00
DRUGS AND PHARMACEUTICALS	
The provision is intended for establishment of manufacture of drugs and pharmaceutical products	45,00
HINDUSTAN ANTIBIOTICS (PRIVATE) LTD.	
The budget provision has been made for an expansion scheme which will produce 40,000/45,000 kg. (40—45 tons) of streptomycin and dihdrostreptomycin by 1960-61	10,00
HEAVY ELECTRICAL (PRIVATE) LTD.	
Provision is for increasing the share capital of the Company . . .	7,00,00
NANGAL FERTILIZERS AND CHEMICALS, (PRIVATE) LTD.	
The provision is intended for increasing the share capital of the Company	6,00.00
HINDUSTAN HEAVY ENGINEERING CORPORATION	
Provision is for increasing the share capital of the Company . . .	1,35,00
HINDUSTAN SALT (PRIVATE) LTD.	
Provision is for purchasing shares of the Compauy	25,00
CAPITAL OUTLAY ON SALT WORKS . .	12,04
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
DEBENTURE LOAN FOR HINDUSTAN CABLES (PRIVATE) LTD.	
Loan for purchase of machinery required for extension of the factory .	10,00
SINDRI FERTILIZERS AND CHEMICALS (PRIVATE) LTD.	
Loan is for expansion of the factory	1,90,00
MESSRS. ATU L PRODUCTS, LTD.	
The loan is for manufacturing dyes and intermediates in collaboration with Imperial Chemical Industries, Ltd.	20,00
INDUSTRIAL SCHEMES FOR STATE GOVERNMENTS	
The provision is to provide financial assistance to the State Governments for implementation of their industrial schemes envisaged in the Second Five Year Plan	1,70,00
INDUSTRIAL ESTATES	
Adances are made to the State Governments for setting up of Indusial Estates in connection with the development of small scale industries .	2,72 50
LOAN TO COFFEE BOARD	
The loan to the Coffee Board is for reloaning the amount to coffee growers primarily for intensive and extensive cultivation of Coffee .	5 00

(In thousands of Rupees)

Particulars	Budget, 1959-60

MINISTRY OF COMMUNITY DEVELOPMENT AND COOPERATION

7—COMMUNITY DEVELOPMENT PROJECTS AND NATIONAL EXTENSION SERVICE

DEVELOPMENT SCHEMES IN CONNECTION WITH THE COMMUNITY DEVELOPMENT PROGRAMME

The provision is intended to meet Centre's share of expenditure on the blocks of various categories in operation in the year 1959-60. It also includes Centre's share of expenditure on material and equipment procured under the T. C. A. programme on the basis of supplies likely to be received during the year 1959-60, as well as expenditure on account of supply of first-aid kits to blocks, which is to be wholly borne by the Centre 15,00,00

NATIONAL EXTENSION SERVICE

The provision is intended to meet Centre's share of expenditure on personnel retained on National Extension Service pattern in respect of Community Develpment Blocks 2,20,08

SOCIAL EDUCATION ORGANISERS' TRAINING SCHEME

There are at present 14 centres for training social education organisers for the Community Development Programme. Three of the Centres which are located at Nilokheri (Punjab), Ranchi (Bihar) and Rajindernagar (Hyderabad) are under the direct control of the Central Government. The remaining eleven are grants-in-aid Centres, out of which two are run by the Governments of Uttar Pradesh and Orissa on behalf of the Government of India. It has been decided to discontinue the training Centre at Hyderabad. A provision of Rs. 10·31 lakhs has been made in the Budget Estimates, 1959-60 for these Centres 10,31

ORIENTATION TRAINING SCHEME

Four Centres for training of block development officers for the Community Development Programme set up earlier have since been converted into Orientation Training Centres and would now be run by the Central Government direct. Two more Centres have been opened in the current year and four more are to be opened in the current and the next year. A total provision of Rs. 19·35 lakhs has been made for all the Orientation Training Centres in the Budget Estimates, 1959-60 19,35

TRAINING OF VILLAGE LEADERS AND YOUTH

In order to impart training to the village school teachers in the various facets of rural development, it has been decided that each State would have at least one peripatetic team consisting of two trainers. It has also been decided to set up an organisation at the State and Central level for a programme of community activity among village people for children and youth with a view to stimulating and developing village leadership. The expenditure on this scheme is sharable between the Ford Foundation and Central and State Governments in agreed proportion . . .

Provision made for both the schemes in the Budget Estimates, 1959-60 is Rs. 6·65 lakhs 6,65

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF COMMUNITY DEVELOPMENT AND CO-OPERATION—*concld.*	
CENTRAL INSTITUTE FOR STUDY AND RESEARCH ON COMMUNITY DEVELOPMENT	
A Central Institute for study and research on community development was set up at Mussoorrie in June, 1958 to provide for orientation training of key personnel, both administrative and technical. The Institute provides facilities for study in Economics, Public Administration, Political Science, Sociology etc. and their special bearing on the community development	
A provision of Rs. 5·83 lakhs has been included in the Budget Estimates, 1959-60	5,83
TRAINING OF PANCHAYAT SECRETARIES	
Under this scheme it is proposed to start about 100 centres to impart institutional training to panchayat secretaries as a part of the programme to strengthen and develop Panchayats so as to enable them to play their new role as effective instruments of community development and local self-government. These training centres will be run by the State Governments to whom financial assistance will be given by the Central Government by way of grants. The total cost of this scheme during 1959-60 is estimated at Rs. 77 lakhs. Pending decision in regard to the extent of Central assistance to the States, a small provision of Rs. 10 lakhs has been made in the next year's Budget	10,00
SCHEME FOR PRODUCTION OF BASIC AND CULTURAL LITERATURE	
It has been decided to supply free books to about 60,000 village libraries during 1959-60 for which a provision of Rs. 10 lakhs has been made in the next year's Budget	10,00
GRANTS TO STATES FOR CO-OPERATION	50,00
GRANTS TO NATIONAL CO-OPERATIVE DEVELOPMENT AND WAREHOUSING BOARD	
Represents provision for grant to National Cooperative Development and Warehousing Board for giving assistance to the State Governments for schemes of Cooperative and Warehousing Development . . .	2,00,00
108—CAPITAL OUTLAY OF THE MINISTRY OF COMMUNITY DEVELOPMENT	
CONTRIBUTION TO NATIONAL CO-OPERATIVE DEVELOPMENT AND WAREHOUSING BOARD	2,93,00
CONTRIBUTION TO THE NATIONAL CO-OPERATIVE DEVELOPMENT AND WAREHOUSING BOARD FOR SHARE CAPITAL OF THE CO-OPERATIVE WAREHOUSING CORPORATION .	40,00
CONTRIBUTION TOWARDS THE SHARE CAPITAL OF CO-OPERATIVE SOCIETIES IN THE UNION TERRITORIES .	8,60
MATERIAL AND EQUIPMENT UNDER THE TCA PROGRAMME	
The Community Development Programme is partially financed from assistance under the TCA Programme in the form of material and equipment. Provision has been made for the equipment anticipated to be received during 1959-60 as well as for the expenditure on equipment already received	35,18
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
LOANS TO STATES FOR COMMUNITY DEVELOPMENT PROGRAMME	
Provision has been made for loans to the States for schemes of self financing nature in connection with the Community Development Programme	12,75,00
LOANS TO STATE GOVERNMENTS FOR THEIR SCHEMES OF CO-OPERATION	43,00

(In thousands of Rupees)

Particulars	Budget, 1959-60

MINISTRY OF EDUCATION

14—EDUCATION

GRANTS-IN-AID TO UNIVERSITY GRANTS COMMISSION

The grant is paid to the University Grants Commission to meet its maintenance expenses and also for allocation and disbursement of grants for maintenance and development to the Central Universities and development grants under the Five Year Plans to other Universities for specially approved schemes by the Commission. A provision of Rs. 7·59 crores has been included in the Budget for 1959-60 7,59,23

GRANTS TO THE PUNJAB UNIVERSITY

Under the Second Five Year Plan a sum of Rs. 65 lakhs has been set apart for the rehabilit tion of the Punjab University. A sum of Rs. 25 lakhs has already been givaen pending assessment of the actual requirements of the University and the balance of Rs. 40 lakhs has been provided in the Budget Estimates, 1959-60 40,00

GRANTS TO NON-GOVERNMENT ARTS COLLEGE, JAMIA MILIA ISLAMIA

A provision of Rs. 5·8 lakhs for maintenance grant has been made in the Budget Estimates, 1959-60 5,80

SCHOLARSHIPS TO SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES

Under the Scheduled Castes, Scheduled Tribes and Other Backward Classes Scholarships Scheme, awards are made to the three classes of students for post-Matriculation studies in India. Besides 12 scholarships (4 for each class) are awarded for higher studies in foreign countries. Provision also exists for the grant of passage costs to students who are in receipt of foreign scholarships which do not carry a travel grant. A sum of Rs. 2·24 crores has been made in the Budget Estimates, 1959-60 . [2,24,00

SCHOLARSHIPS TO FOREIGNERS FOR STUDIES IN INDIA UNDER THE GENERAL CULTURAL SCHOLARSHIPS SCHEME

Awards under the General Cultural Scholarships Scheme are made to students of certain Asian, African and other Commonwealth countries and to students of Indian origin domiciled in those countries for studies in India. The value of the scholarship is Rs. 200 per month besides tuition, university examination and capitation fees. A provision of Rs. 18·68 lakhs is made in the Budget for 1959-60 18,68

SCHOLARSHIPS FOR POST-MATRICULATION STUDENTS IN INDIA

The scheme provides for the award of 200 scholarships every year on the results of the Matriculation and equivalent examinations. The duration of the scholarship is one year and is renewable on a yearly basis till the completion of studies, subject to satisfactory progress. A provision of Rs. 7·7 lakhs has been made in the Budget for 1959--60 . 7,70

GRANTS TO CENTRALLY AIDED SCHEMES

A provision of Rs. 15 crores has been included in the Budget for 1959-60 in the different fields of education for Centrally Aided Schemes of Elementary Education, Secondary Education, University and Higher Education, Social Education, etc. 15,00,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF EDUCATION—*contd.*	
GRANTS TO CENTRALLY SPONSORED SCHEMES	
A provision of Rs. 1·03 crores has been made in the Budget for 1959-60 for the Centrally sponsored schemes of expansion of girls education and training of women teachers, Post-basic Schools, appointment of Hindi teachers, improvement and development of educational institutions at Collegiate level and pilot project for improving science teaching at elementary stage	1,03,25
GRANTS FOR OTHER SCHEMES	
A sum of Rs. 17·10 lakhs has been included in the Budget for 1959-60 for making educational arrangements at Faridabad, Rajpura and for giving aid to displaced students	17,10
GRANTS TO NATIONAL COLLEGE OF PHYSICAL EDUCATION	
The provision is included for giving grants-in-aid to the National College of Physical Education for maintenance of establishment and construction of college buildings	14,50
GRANTS FOR PHYSICAL EDUCATION	
A provision of Rs. 8 lakhs has been made for grants to the Physical Educational Institutions and organisations for the promotion of physical education and recreation schemes	8,00
GRANTS FOR PROMOTION OF SPORTS AND GAMES	
The provision has been made for payment of grants for the implementation of the various schemes for the promotion of sports and games and also for giving grants to the Rajkumari Sports Coaching Scheme during 1959-60.	25,75
GRANTS FOR YOUTH WELFARE	
The provision for the year 1959-60 has been made for the various schemes under the Youth Welfare Programme	8,00
GRANTS TO BAL BHAVAN	
A provision of Rs. 8 lakhs has been included in the Budget for 1959-60 for the construction of the building as well as for day to day expenditure of the Board set up by the Government	8,00
GRANTS FOR STRENGTHENING OF EXISTING INSTITUTIONS OF HIGHER LEARNING OF ALL INDIA IMPORTANCE	
Under the Second Five Year Plan a sum of Rs. 15·5 lakhs has been set apart for this scheme. The proposed provision is intended for grants to selected Institutions of all-India standing in the field of education, etc.	5,00
GRANTS TO VOLUNTARY ORGANISATIONS WORKING IN THE FIELD OF SOCIAL EDUCATION	
Under this scheme financial assistance is given to voluntary organisations upto a maximum of 60% of the total approved estimated expenditure both recurring and non-recurring for the development and expansion of their activities in the field of Social Education including literary development. The balance of 40% is met by the institutions and/or the State Government which recommends the applications	8,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF EDUCATION—*contd.*	
GRANTS TO VOLUNTARY ORGANISATIONS WORKING IN THE FIELD OF BASIC EDUCATION	
Grants are given to voluntary educational organisations working in the field of pre-primary, basic education and for literature for children	7,00
GRANTS FOR THE PRODUCTION OF LITERATURE FOR NEO-LITERATES	
For encouraging the production of literature for neo-literates a provision of Rs. 5·20 lakhs has been made in the Budget for 1959-60	5,20
GRANTS FOR SCOUTING AND GUIDING	
A provision of Rs. 5 lakhs has been made in the Budget for 1959-60 for giving grants to organisations of Bharat Scouts and Guides.	5,00
GRANTS TO LABOUR AND SOCIAL SERVICE CAMPS AND CAMPUS WORKS PROJECTS	
The Labour and Social Service Scheme is divided into two schemes (*i*) Labour and Social Service Camps whose object is to inculcate a sense of dignity of manual labour among students and other youths to give them an opportunity to get into contact with village life and conditions and offer shramdan for the improvement of amenities in the rural areas and (*ii*) Campus Work Projects which provide much needed amenities in Universities and other educational institutions. The staff and the students of the educational institutions applying for grant under the scheme should render skilled or unskilled labour on the project. A provision of Rs. 53 lakhs has been included in the Budget for 1959-60	53,00
GRANTS TO VOLUNTARY ORGANISATIONS WORKING IN THE FIELD OF SECONDARY EDUCATION	
The provision is meant for the scheme "Assistance to Voluntary Educational Organisation" under which grants-in-aid are paid to recognised voluntary educational organisations to improve and expand their activities in the fields of education at Secondary stage	16,00
GRANTS FOR RURAL HIGHER EDUCATION	
Under the scheme grants are given to 10 Rural Institutes for their development. A provision of Rs. 39·38 lakhs has been made in the Budget for 1959-60	39,38
GRANTS TO ENGLISH LANGUAGE SCHOOL	
For the maintenance of the Central Institute of English, Hyderabad, a sum of Rs. 6·5 lakhs has been included in the Budget for 1959-60	6,50
GRANTS FOR NATIONAL DISCIPLINE SCHEME	
The National Discipline Scheme was introduced in June, 1954. The scheme which in the beginning was confined to schools for displaced children in and around Delhi, Punjab, Uttar Pradesh, Bombay, Madhya Pradesh, Jammu and Kashmir and West Bengal has been extended to other schools also in the above areas	20,00
GRANTS FOR THE PROMOTION OF HINDI	
The Budget provision is intended for giving grants directly or through some agencies, such as Universities, Hindi Scholars, etc., for implementation of Plan schemes for propagation and development of Hindi	11,98
MATERIAL AND EQUIPMENT UNDER THE T. C. A. PROGRAMME	
The Budget provision has been made for material and equipment to be received under the T. C. A. programme for National Fundamental Education Centre, National Institute of Basic Education, Secondary Educational Institutions, Home Science Education and Research Institutions and Rural Institutions etc.	62,87

(In thousands of Rupees.

Particulars	Budget, 1959-60

MINISTRY OF EDUCATION—*concld.*

15—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF EDUCATION

GRANTS-IN-AID TO CENTRAL SOCIAL WELFARE BOARD

The Central Social Welfare Board renders welfare service for women children, physically handicapped and juvenile delinquency through the various programmes. It also encourages voluntary social organisations in the country by giving them financial assistance for rendering services for the above categories of persons 2,00,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF EXTERNAL AFFAIRS	
16—TRIBAL AREAS	
DEVELOPMENT OF TRIBAL AREAS	
Provision has been made for National Extension Service Blocks in the Tribal Areas	12,10
17—NAGA HILLS—TUENSANG AREA	
DEVELOPMENT SCHEMES IN TUENSANG AREA	
The provision is meant for various schemes under the Community Development Projects, Local Development Works and National Extension Service	15,00
19—STATE OF PONDICHERRY	
PURCHASE OF MEDICINE FOR GOVERNMENT PHARMACY .	8,00
BUILDINGS FOR MEDICAL COLLEGE	10,00
PURCHASE OF POWER FROM METTUR, RESERVE STOCK FOR ELECTRICITY DEPARTMENT AND RUNNING OF A. C. POWER HOUSE	26,30
COMMUNITY DEVELOPMENT SCHEMS	6,26
DEVELOPMENT SCHEMES APPROVED IN THE SECOND FIVE YEAR PLAN . . . . . 6 . .	52,80
CONSTRUCTION OF NEW PIER AT PONDICHERRY . .	13,38
111—CAPITAL OUTLAY OF THE MINISTRY OF EXTERNAL AFFAIRS	
ESSENTIAL COMMODITIES IN N. E. F. A. AND TUENSANG AREA	
The provision has been made for procurement and distribution of foodstuffs and other essential commodities in the North East Frontier Agency and Naga Hills—Tuensang Area	68,32
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
LOANS TO FOREIGN GOVERNMENTS	20,37

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FINANCE	
32—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF FINANCE	
ASSISTANCE FOR NATURAL CALAMITIES AND SCARCITY AFFECTED AREAS	
Under the pattern of assistance now in vogue grants on matching basis are given to the State Governments for meeting the expenditure on certain specified relief operations in connection with drought, flood, earthquake, cyclone, etc.	5,00,00
DEVELOPMENT SCHEMES IN UTTAR PRADESH	
This provision is meant for assistance to the Government of Uttar Pradesh for meeting expenditure on certain development schemes for backward and under-developed areas of the State included in the Plan . .	30,00
INDIAN INSTITUTE OF PUBLIC ADMINISTRATION	
The provision is made for giving grant-in-aid to the Indian Institute of Public Administration	9,00
GRANTS-IN-AID TO THE NATIONAL COUNCIL OF APPLIED ECONOMIC RESEARCH	8,00
PURCHASE OF DOLLARS FROM INTERNATIONAL MONETARY FUND	
This is a non-Plan provision and is made for meeting the payment of service and other charges in connection with the purchase of Dollars from the International Monetary Fund	2,50,48
AID TO NEPAL	
The provision made represents the estimated amount of expenditure to be incurred on the execution of certain selected schemes included in the Five Year Plan of the Government of Nepal during 1959-60. For this purpose, the Government of India have promised assistance upto Rs. 10 crores during the Plan period of Nepal which runs concurrently with the Second Five Year Plan of India	1,90,00
TECHNICAL AID TO SOUTH AND SOUTH EAST ASIAN COUNTRIES	
The provision has been made to meet the obligations devolving on the Government of India consequent on participation in the Technical Cooperation Scheme of the Colombo Plan for providing training facilities and services of experts to the South and South East Asian Countries .	16,25
112—CAPITAL OUTLAY ON THE INDIA SECURITY PRESS	
LABOUR COLONY, QUARTERS AND A HOSPITAL FOR INDIA SECURITY PRESS	
This provision represents 3/5th share of the estimated expenditure of Rs. 13·5 lakhs to be incurred during 1959-60, the balance of Rs. 5·4 lakhs being provided under Capital Outlay on Currency and Coinage, for the construction of residential quarters, including a hospital, for labour and staff of the India Security Press and Currency Note Press, Nasik Road. The scheme is included in the Second Five Year Plan at a total estimated cost of Rs. 84 lakhs for the entire Plan period	8,10

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FINANCE—*contd.*	
113—CAPITAL OUTLAY ON CURRENCY AND COINAGE	
LABOUR COLONY, ETC., FOR THE STAFF OF CURRENCY NOTE PRESS AND CONSTRUCTION OF NEW CURRENCY NOTE PRESS	
The provision comprises two items *viz.* (*a*) Rs. 5·4 lakhs being the share for common items of work as explained under 112—Capital outlay on the India Security Press and (*b*) Rs. 34·54 lakhs being the cost of building for the projected new Currency Note Press	39,94
PURCHASE OF METALS FOR COINAGE	
The provision is intended for purchase of metal for coinage (inclusive of metal value of uncurrent and confiscated coins etc. destroyed to the extent of Rs. 77 lakhs)	2,36,00
114—CAPITAL OUTLAY ON MINTS	
QUARTERS FOR THE STAFF AND WORKMEN OF INDIA GOVERNMENT MINT, BOMBAY	
The provision is to meet the cost of land required for the construction of residential quarters at Bombay for the staff and workmen of India Government Mint, Bombay	22,05
QUARTERS FOR THE STAFF AND WORKMEN OF INDIA GOVERNMENT MINT, ALIPORE	
The provision is to meet the cost of construction work in connection with the residential quarters at Alipore, Calcutta	15,00
PURCHASE OF MACHINERY IN CONNECTION WITH THE INTRODUCTION OF METRIC SYSTEM OF WEIGHTS AND MEASURES	
In connection with the scheme of introduction of metric system of weights and measures a provision of Rs. 7·9 lakhs for purchase of plant and machinery required for manufacturing standard weights and measures has been made in the Budget for 1959-60	7,90
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
REHABILITATION FINANCE ADMINISTRATION	
Under Section 11 (1) of Rehabilitation Finance Administration Act, 1948, the Central Government may from time to time advance money to the Rehabilitation Finance Administration for its business. The advances are repayable and bear interest at the rate of 3% per annum . .	10,0
STATE FINANCIAL CORPORATION	
In view of the fact that many States find it difficult to arrange the necessary finances for setting up State Financial Corporations, it has been decided to advance loans to the State Governments for this purpose	20,00
INDUSTRIAL FINANCE CORPORATION	
In order to enable the Indus rial Finance Corporation to meet the increasing demand from industrial concerns for financial assistance, a provision of Rs. 22·25 cross hass been made in the Second Five Year Plan for giving loans to the Corporation. The provision ih the hext year's Budget represents loans for the Corporation	7,25,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FINANCE—*concld.*	
REFINANCE CORPORATION FOR INDUSTRY (PRIVATE) LTD.	
The Corporation will provide relending facilities against loans given by banks to medium-sized industrial units in the private sector for the purpose of increasing production primarily in industries which are or may be included in the Second Five Year Plan or subsequent Plans. A provision of Rs. 5 crores has been made for giving loans to the Corporation.	5,00,00
MISCELLANEOUS DEVELOPMENT SCHEMES	
The provision is for Central assistance to State Governments for financing miscellaneous development schemes in the State Plans . . .	29,33,00
LOANS FOR NATURAL CALAMITIES	
The Central assistance is being given since 1952-53 to cover certain portion of expenditure incurred by the State Governments on relief measures on account of natural calamities	1,00,00

(In thousands of Rupees)

Particulars	Budget 1959-60
MINISTRY OF FOOD AND AGRICULTURE	
37—FOREST	
FOREST RESEARCH INSTITUTE	
The provision is required for financing the developmen schemes of the Forest Research Institute which have been included in the Second Five Year Plan. Most of these schemes which are being continued from year to year aim at research in forestry development	6,00
FOREST RESEARCH CENTRE	
Under the Second Five Yea r Plan it is proposed to set up a Forest Research Centre in the South to conduct research on forestry aspects affecting the Southern region. A beginnin g was made in 1956 by taking over the Forest Research Laboratory of the Mysore Government which is now proposed to be developed further. Another unit under the proposed centre will be located at Coimbatore which will look after the biological aspect of forestry development	5,92
SOIL CONSERVATION AND RESEARCH DEMONSTRATION CENTRES	
The Central Soil Conservation Board continuesn to maintain the existing Soil Cgnservation Research Demgnstration and Training Centres established at Dehra Dun, Kotah, Vasad, Bellary, Ootacamund, Chatra, Agra and Chandigarh and Desert Afforestation and Soil Conservation Station. The scope of the existing Desert Afforestation and Soil Conservation Station, Jodhpur will be expanded, changing it into a Central Arid Zone Research Institute	29,85
SCHEME FOR RECLAMATION AND CONTROL OF RAJASTHAN DESERT	
The provision has been made for demonstrating the improved methods of pasture in reclamation and controlling the Rajasthan desert .	13,00
FORESTRY AND SOIL CONSERVATION SCHEMES	
Represents provision for Central assistance to the State Governments for their forestry and soil conservation schemes	1,65,00
38—AGRICULTURE	
GRANTS FOR SCHEMES OF AGRICULTURAL PRODUCTION	
The provision has been made for giving Central assistance to the State Governments for their various schemes of agricultural production .	7,60,20
GRANTS FOR FISHERIES DEVELOPMENT SCHEMES	
The provision is for giving Central assistance to the State Governments for their Fishereyelopment schemes. . . .	3,76

(In thousands Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FOOD AND AGRICULTURE—*contd.*	
PRODUCTION OF AGRICULTURAL INFORMATION LITERATURE FOR VILLAGE LEVEL WORKERS AND BLOCK DEVELOPMENT OFFICERS IN NATIONAL EXTENSION SERVICE	
Village Level Workers, Block Development Officers in the Community Project areas and National Extension Service Blocks are *inter alia* charged with the responsibility of disseminating information relating to development in Agriculture, Animal Husbandry and allied subjects to farmers and other field workers. With a view to keep these workers posted with the latest information on these subjects a scheme for supply of agricultural information literature to Village Level Workers etc., has been formulated	10,00
FERTILISER DEMONSTRATION SCHEME	
The object of the scheme is to popularise the use of fertilisers by holding demonstrations on cultivators' fields. The aim is to step up food production	16,00
CENTRAL MECHANISED FARM, SURATGARH	
The Farm was set up in August, 1956 witht he help of agricultural machinery and equipment received as gift from the Government of U.S.S.R. It covers an area of 30,670 acres, out of which 22,67c acres are earmarked for agricultural activities. An area of 18,000 acres is proposed to be brought under cultivation in Kharif and Rabi seasons during 1959-60 as against 14,000 acres in 1958-59. A provision of Rs. 16·04 lakhs has been included in the Budget Estimates, 1959-60	16,04
39—AGRICULTURAL RESEARCH	
GRANT TO INDIAN CENTRAL TOBACCO COMMITTEE . .	16,78
GRANT TO INDIAN CENTRAL JUTE COMMITTEE . . .	26,78
GRANT TO INDIAN CENTRAL COTTON COMMITTEE . .	21,00
GRANT TO INDIAN CENTRAL ARECANUT COMMITTEE .	13,00
PAYMENTS TO INDIAN CENTRAL COTTON COMMITTEE AGAINST CESS COLLECTIONS ON COTTON	13,00
PAYMENTS TO INDIAN LAC CESS COMMITTEE AGAINST COLLECTIONS OF CESS ON LAC AND REFUSE LAC . .	7,00
GRANT-IN-AID TO INDIAN CENTRAL SUGARCANE COMMITTEE	
The provision has been made to meet increased expenditure on implementation of sugarcane research schemes undertaken by the Committee. .	20,00
PAYMENT OF CESS COLLECTIONS ON OILS AND OILSEEDS IMPOSED UNDER THE INDIAN OILSEEDS ACT, 1946 TO THE INDIAN CENTRAL OILSEEDS COMMITTEE . .	20,00
PILOT EXPERIMENTAL DEEP SEA FISHING STATION, BOMBAY	
A pilot Experimental Deep Sea Fishing Station was established under a postwar Marine Fisheries Development Scheme for charting and surveying fishing grounds off the Bombay coast.	9.46

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FOOD AND AGRICULTURE—*contd.*	
MATERIAL AND EQUIPMENT UNDER THE T.C.A. PROGRAMME	
The provision is intended for material and equipment to be received under the T.C.A. Programme for implementation of the Fisheries schemes of the Centre and States under the Second Five Year Plan . . .	13,85
MATERIAL AND EQUIPMENT UNDER THE INDO-NORWEGIAN ASSISTANCE PROGRAMME	
The provision has been made for material and equipment to be received under this agreement from Norway for utilisation in the project in Kerala.	[25,0C
GRANTS TO STATES FOR SCHEMES OF AGRICULTURAL RESEARCH	
Represents provision for Central assistance to the States for their schemes of agricultural research	46,0[illegible]
40—ANIMAL HUSBANDRY	
GRANTS TO STATES FOR ANIMAL HUSBANDRY SCHEME	1,74,18
EVLOPMENT OF INDIAN VETERINARY RESEARCH INSTITUTE AND SETTING UP OF A POST-GRADUATE COLLEGE FOR ANIMAL HUSBANDRY SCIENCES	
It is proposed to strengthen the research divisions of the Indian Veterinary Research Institute during the Second Five Year Plan and to establish a Post-Graduate College in Veterinary and Animal Husbandry Sciences .	12,0C
RINDERPEST SCHEMES	
Realising the importance of control of epidemics among cattle and in particular the serious damage caused by rinderpest, it has been decided to step up production at the Central Rinderpest Vaccine Laboratory of the Indian Veterinary Research Institute so as to achieve the target of production as envisaged in the Second Five Year Plan	
41—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF FOOD AND AGRICULTURE.	
GRANTS TO STATES FOR RURAL DEVELOPMENT . . .	1,10,00
GRANTS TO STATES FOR DAIRY DEVELOPMENT . . .	1,10,00
56—ANDAMAN AND NICOBAR ISLANDS	
DEVELOPMENT OF FORESTS IN ANDAMAN AND NICOBAR ISLANDS	
In the Second Five Year Plan a provision of Rs. 80 lakhs has been made for financing the forestry development schemes of the Andaman and Nicobar Islands. The provision of Rs. 29.40 lakhs is required for financing these schemes during 1959-60	29,40
COLONISATION IN ANDAMANS	
This scheme provides for clearance of areas of jungles and uprooting of stumps, etc. in Andamans for settling refugees	10,00

(In thousands of Rupees)

Particulars	Budget 1955-56
MINISTRY OF FOOD AND AGRICULTURE—*contd.*	
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
LOANS TO STATE GOVERNMENTS FOR SCHEMES OF AGRICULTURAL PRODUCTION	41,40,00
LOANS TO STATE GOVERNMENTS FOR ANIMAL HUSBANDRY DAIRYING AND FISHERIES	2,00,00
LOANS TO STATE GOVERNMENTS FOR THEIR DEVELOPMENT SCHEMES OF FOREST AND SOIL CONSERVATION .	3,55,00
LOANS TO STATE GOVERNMENTS FOR THEIR SCHEMES OF DEVELOPMENT OF REGULATED MARKETS . . .	14,00
SHORT AND LONG TERM ADVANCES TO CULTIVATORS IN UNION TERRITORIES FOR GROW MORE FOOD PURPOSES .	25,00
119—CAPITAL OUTLAY ON FORESTS	
STORES FOR ANDAMANS FOREST DEPARTMENT	
The provision has been made for purchasing barges and tugs for the smooth running of the Andaman Forest Department and also for construction work	11,20
120—PURCHASE OF FOODGRAINS	
PURCHASE OF FOODGRAINS IN INDIA	
The provision mainly represents expenditure to be incurred on cost, freight, transport and internal handling etc., of foodgrains . .	55,11,00
IMPORT OF FOODGRAINS	
The provision represents the estimated expenditure in Sterling/Dollar currencies on cost and freight etc. of foodgrains to be imported .	23,62,00
STORAGE OF FOODGRAINS	
The provision is intended to cover expenditure initially incurred in the form of advances to handling and clearing agents, Port Trusts and the State Governments, etc. till their accounts have ben rendered . . .	5,30,00
121—OTHER CAPITAL OUTLAY OF THE MINISTRY OF FOOD AND AGRICULTURE	
CENTRAL RICE RESEARCH INSTITUTE	
The provision is intended for construction of buildings for the Central Rice Research Institute and for its three research sub-stations for carrying out research work on (1) saline resistant rice (2) hill rices and (3) food and deep water rices.	10,00
GROW MORE FOOD SCHEMES IN UNION TERRITORIES	
The provision is meant for implementation of the Grow More Food Schemes undertaken by the Union Territories and is based on the overall provision included in the Second Five Year Plan . . .	

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FOOD AND AGRICULTURE—*contd.*	
DEVELOPMENT OF MARINE FISHERIES	
The provision is meant for providing refrigerated rail vans for transporting fish from collecting centres to internal consumers' centres. . .	6,00
MATERIAL AND EQUIPMENT UNDER THE T. C. A. PROGRAMME	
The provision is intended for material and equipment to be received for the implementation of the Fisheries Schemes included in the Second Five Year Plan under the U. S. Technical Cooperation Aid for India .	13,85
DELHI MILK SUPPLY SCHEME	
The provision is for purchasing machinery, equipment, etc., for the Delhi Milk Supply Scheme and its ancillary milk collection and chilling Centres	77,30
CONSTRUCTION OF CENTRAL CONTROL LABORATORY AND REGIONAL LABORATORIES	6,75
CENTRAL MECHANISED FARM, SURATGARH	
Provision is intended for construction of buildings for Central Mechanised Farm, Suratgarh	5,00
MATERIAL AND EQUIPMENT UNDER THE INDO-NORWEGIAN ASSISTANCE PROGRAMME	
In 1952 the Government of India had entered into an agreement with the Government of Norway and the United Nations for the establishment of the Indo-Norwegian Fisheries Community Development Project in Kerala. The provision is for material and equipment worth Rs. 25 lakhs which is expected to be received during 1959-60 . . .	25,00
PURCHASE OF FERTILIZERS	
With a view to popularising the use of fertilizers and making them available to the cultivators at reasonable rates in the interest of maximising agricultural production, the Central Government is running a scheme for the purchase and distribution of fertilisers. The indigenous production is not enough to meet the total requirements and in order to meet the deficit a quantity of 3,84,800 tons of fertilisers will be procured from abroad. A provision of Rs. 24·27 crores has been made in the Budget Estimates, 1959-60	4,27,23
NATIONAL SUGAR INSTITUTE, KANPUR	
The provision is intended for the construction of building and cost of land of the institute	7,00
CONSTRUCTION OF FOOD STORAGE GODOWNS	
The provision is intended to over the expenditure on construction of food storage godowns	33,64
SALE OF INDIGENOUS SUGAR AT CONTROLLED PRICES	
A new scheme for sale of indigenous sugar at controlled prices has been introduced with effect from 30-7-1958. Under this scheme the facilities are to be paid the difference between the price actually realised by them from Government allottee and the ex-factory prices . .	13,00

(in thousand of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF FOOD AND AGRICULTURE—*concld.*	
PURCHASE AND DISTRIBUTION OF FERTILISERS IN UNION TERRITORIES	3,79
LAND RECLAMATION SCHEME	
The Scheme which is executed by the Central Tractor Organisation envisages the reclamation of Kans infested land and for jungle clearance and land development by means of heavy tractors, bull-dozers etc . . .	29,60
DAIRY DEVELOPMENT	
The provision is intended for material and equipment to b ereceived under the T.C.A. Programme and the Colombo Plan for Dairy Development Scheme in the States	70,43
AGRICULTURAL PRODUCTION	
The provision is intended for material and equipment tobe receive under the T. C. A. Programme and given to the State Governments Central assistance in connection with agricultural production . . .	41,50
ANIMAL HUSBANDRY	
The provision is intended for material and equipment to bereceived under the T. C. A. Programme and given to the State Governments as Central assistance for the development of animal husbandry	8,19

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF HEALTH	
43—MEDICAL SERVICES	
ALL INDIA INSTITUTE OF MEDICAL SCIENCES	
Provision has been made to give grants-in-aid to the Institute to meet its day to day expenditure and also the cost of construction of its buildings	75,50
ESTABLISHMENT OF PAEDIATRIC CENTRES IN STATES	
The scheme is included in the Second Five Year Plan at an estimated cost of Rs. 35 lakhs. A provision of Rs. 6·5 lakhs has been included in the next year's Budget	6,50
TATA MEMORIAL HOSPITAL, BOMBAY	
This scheme has been included in the Second Five Year Plan with a provision of Rs. 44·50 lakhs. A sum of Rs. 6·5 lakhs has been included in the next year's Budget	6,50
ALL INDIA INSTITUTE OF MENTAL HEALTH, BANGALORE	
A sum of Rs. 7·20 lakhs has been provided for the expansion of this Institute during 1959-60 in addition to Rs. 3·80 lakhs for recurring expenditure	11,00
FULL-TIME TEACHING UNITS IN MEDICAL COLLEGES	
The provision is intended for assisting the State Governments in the establishment of full-time teaching units both in the clinical and non-clinical departments of the medical colleges in the States	80,00
ESTABLISHMENT AND EXPANSION OF MEDICAL COLLEGES	
The provision is intended for giving grants-in-aid to the State Governments for establishing new colleges and also for expansion of the existing ones	1 40,00
UPGRADING OF CERTAIN DEPARTMENTS IN MEDICAL INSTITUTIONS IN INDIA	
Grants to the State Governments for meeting the expenditure on the upgrading of the departments in certain medical institutions in India	6,00
ESTABLISHMENT OF DEPARTMENTS OF SOCIAL AND PREVENTIVE MEDICINE IN MEDICAL COLLEGES	
Grants to the State Governments for strengthening the Departments of Social and Preventive Medicine approved by the Government of India in certain medical colleges	6,50
DENTAL COLLEGES IN STATES	
The provision has been made for giving assistance to the States in connection with the expansion of the existing dental colleges and also for establishment of new ones	20,00
AYURVEDIC, UNANI, HOMOEOPATHIC AND NATURE CURE SYSTEMS	
Under the Second Five Year Plan, a provision of Rs. 1 crore has been made for the development of indigenous systems of medicine including Homoeopathy. A provision of Rs. 30 lakhs as grants to the States has been made in the Budget Estimates, 1959-60	30,00
CANCER RESEARCH INSTITUTES IN STATES	
This scheme has been included in the Second Five Year Plan at a total cost of Rs. 35 lakhs. A sum of Rs. 8 lakhs has been provided in the next year's Budget	8,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF HEALTH—*contd.*	
ESTABLISHMENT OF T. B. CLINICS	
The scheme envisages the establishment and upgrading of 300 T. B. clinics. The provision is intended for the purchase of equipment for 20 clinics	10,00
ESTABLISHMENT OF AFTERCARE AND REHABILITATION CENTRES FOR T. B. PATIENTS	
The scheme envisages the establishment of 8 Aftercare and Rehabilitation Centres intended to teach T. B. patients suitable handicrafts. The provision has been made for non-recurring grants to the State Governments	10,00
44—PUBLIC HEALTH	
SCHEME FOR CONTROL OF LEPROSY	
Under this scheme Leprosy Subsidiary Centres are being established in the various States for the control of leprosy by the application of mass treatment methods. The Central assistance is given according to a set pattern	35,00
SCHEME FOR CONTROL OF VENEREAL DISEASES AND ALLIED TREPONEMAL DISEASES	
The scheme has been included in the Second Five Year Plan at an estimated cost of Rs. 58·67 lakhs	10,00
TRAINING OF DAIS	
The Government of India have sanctioned a centrally aided scheme under the second Five Year Plan for the training of 36,000 ' dais ' at an estimated cost of Rs. 90 lakhs with a view to improve their standard of practice. Under this Scheme, 150 units for the training of ' dais ' will be established in the States. The Central assistance will be Rs. 13,200 per unit per annum, for meeting the cost of bags for dais and their refills and for cash rewards to dais trained at these units. A provision of Rs. 7·55 lakhs has been made in the next year's Budget	7,55
TRAINING OF LADY HEALTH VISITORS	
The provision has been made in connection with the scheme for training health visitors for rural areas under the Community Development Projects. The scheme was started in 1954-55 in the various States and also in the Lady Reading Health School, Delhi	6,45
TRAINING OF AUXILIARY NURSE MIDWIVES	
A Centrally assisted scheme was sanctioned in 1954-55 for the training, at selected institutions in the States, of midwives and auxiliary nurse-midwives required for Community Development Projects. A sum of Rs. 12 lakhs as grants-in-aid to the States has been included in the next year's Budget	12,00
PUBLIC HEALTH LABORATORY SERVICES	
A scheme for the development of Public Health Laboratory Services has been included in the Second Five Year Plan. A sum of Rs. 9·99 lakhs as grants-in-aid to the States for this scheme has been included in the Budget Estimates, 1959-60	9,99
PRIMARY HEALTH CENTRES	
The provision is intended for giving grants to the State Governments for construction of buildings for the Primary Health Centres to be opened during the next year.	1,50,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF HEALTH—*concld.*	
MALARIA ERADICATION PROGRAMME	
The Eradication programme is estimated to cost Rs. 63 crores during the Second and Third Five Year Plan periods. A sum of Rs. 2·34 crores has been included in the next year's Budget	2,34,06
NATIONAL FILARIA CONTROL PROGRAMME	
The Planning Commission have approved a provision of Rs. 3·70 crores for this programme in the Second Five Year Plan period. A provision of Rs. 80 lakhs has been made in the Budget Estimates, 1959-60 . .	80,00
FAMILY PLANNING	
The provision is intended to grant subsidies to the State Governments, local bodies and voluntary organisations for research schemes, etc. The provision is also meant for training programme, education in family planning, opening of urban and rural family planning clinics and establishment of a Demographic Centre at Bombay as envisaged during the Second Five Year Plan	80,00
INDIAN COUNCIL OF MEDICAL RESEARCH	
There is a provision of Rs. 3·12 crores under the Second Five Year Plan for promotion of medical research through the Indian Council of Medical Research, New Delhi. Out of the amount provided for the next year, an expenditure of Rs. 10 lakhs approximately is proposed to be incurred on the purchase of equipment and on the construction of buildings for the new nutrition research laboratory to be set up at Hyderabad . .	70,00
ESTABLISHMENT OF T. B. ISOLATION BEDS	
The scheme envisages the establishment of 4,000 T. B. isolation beds in hospitals and sanatoria in the States for the segregation of advanced cases of T. B.	14,50
T. B., LEPROSY AND OTHER INSTITUTIONS	
Non-recuring grants are paid to medical institutions run by voluntary bodies especially in the field of T.B., Leprosy and Cancer on the recommendations of the State Governments	15,00
RELIEF TO DESTITUTE DISPLACED PERSONS	
Grants are sanctioned to the State Governments/institutions for reservation of beds for free treatment of indident displaced T. B. patients from West Pakistan and also for giving them cash assistance	8,50

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF HOME AFFAIRS	
52—STATISTICS	
GRANTS-IN-AID TO STATE GOVERNMENTS IN CONNECTION WITH NATIONAL SAMPLE SURVEY WORK	
Grants-in-aid are given to the State Governments for collaboration between the National Sample Survey and the State Statistical Bureaus	14,00
GRANTS-IN-AID TO INDIAN STATISTICAL INSTITUTE FOR NATIONAL SAMPLE SURVEY TABULATION WORK	
The data collected by the National Sample Survey through series of enquiries on randum sample basis as part of the work of normal national sample survey rounds bearing on various aspects of socio-economic life, crop cutting surveys and *ad hoc* surveys conducted on the request of other Ministries of the Government of India is tabulated at the Indian Statistical Institute. The cost incurred by the Institute is reimbursed by grants	53,00
GRANTS-IN-AID TO INDIAN STATISTICAL INSTITUTE FOR TRAINING AND RESEARCH IN STATISTICS	
The Indian Statistical Institute has been receiving regular grants from the Central Government since 1935. The Institute is being developed as the focal centre for professional training and research in statistics on the lines of a higher technological institute	42,00
GRANTS-IN-AID TO STATE GOVERNMENTS FOR STATISTICAL PURPOSES	
This includes provision to meet Government of India's share of the expenditure on a 50: 50 basis on the state statistical schemes in the Second Five Year Plan for development of statistics, *e.g.* (*i*) strengthening of State Statistical Bureau for overall planning needs ; (*ii*) setting up of district statistical agency ; (*iii*) training of personnel ; and (*iv*) statistical work for Community Project Administration and National Extension Service areas	20,00
54—DELHI	
OPENING OF NEW SCHOOLS IN DELHI	
The provision has been made for opening of new schools to meet the expected additional enrolment in 1959-60	6,50
TRAINING OF CRAFTSMEN	8,79
55—HIMACHAL PRADESH	
EDUCATIONAL DEVELOPMENT SCHEMES	30,81
SCHEMES FOR THE WELFARE OF SCHEDULED CASTES AND SCHEDULED TRIBES AND BACKWARD CLASSES . . .	14,65
COMMUNITY DEVELOPMENT PROJECTS AND NATIONAL EXTENSION SERVICE SCHEMES	40,00
GRANTS TO THE HIMACHAL PRADESH TERRITORIAL COUNCIL	85,00
GROW MORE FOOD CAMPAIGN	15,05

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF HOME AFFAIRS—*contd.*	
57—MANIPUR	
PAYMENT OF GRANTS TO MANIPUR TERRITORIAL COUNCIL	18,00
PROVISION FOR MEETING EXPENDITURE IN RESPECT OF UNITS OF ASSAM RIFLES EMPLOYED IN MANIPUR . .	25,00
PROVISION FOR MEETING EXPENDITURE ON ACCOUNT OF DEPUTATION OF FOUR COMPANIES OF EASTERN FRONTIER RIFLES TO MANIPUR	14,00
SCHEME FOR THE WELFARE OF SCHEDULED TRIBES AND SCHEDULED CASTES	31,45
EDUCATIONAL DEVELOPMENT SCHEMES.	20,54
SCHEMES UNDER COMMUNITY PROJECTS AND NATIONAL EXTENSION SERVICE PROGRAMME IN MANIPUR. . .	9,71
58—TRIPURA	
PAYMENTS OF GRANTS-IN-AID TO TRIPURA TERRITORIAL COUNCIL	93,66
PROVISION FOR MEETING EXPENDITURE IN RESPECT OF UNIT OF ASSAM RIFLES EMPLOYED IN TRIPURA. . .	17,00
SCHEMES FOR THE WELFARE OF SCHEDULED TRIBES AND SCHEDULED CASTES	22,96
EDUCATIONAL DEVELOPMENT SCHEMES.	22,89
SCHEMES UNDER COMMUNITY PROJECTS AND NATIONAL EXTENSION SERVICE PROGRAMME IN TRIPURA . . .	10,06
GRANT TO AGARTALA MUNICIPALITY FOR FINANCING EXPENDITURE ON DEVELOPMENT SCHEMES RELATING TO DRAINAGE, WATER WORKS, ETC	9,50
60—MISCELLANEOUS DEPARTMENTS AND EXPENDITURE UNDER THE MINISTRY OF HOME AFFAIRS	
PURCHASE OF EQUIPMENT FOR EMERGENCY RELIEF . .	60,00
FOOD SUBSIDY TO THE GOVERNMENT OF JAMMU AND KASHMIR	75,00
ASSISTANCE TO STATES FOR THE WELFARE OF BACKWARD CLASSES	7,81,64
CONTRIBUTION FOR SOCIAL AND MORAL HYGIENE . .	73,00
GRANTS TO CERTAIN SOCIAL INSTITUTES	56,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF HOME AFFAIRS—*concld.*	
60—MISCELLANEOUS DEPARTMENT AND EXPENDITURE UNDER THE MINISTRY OF HOME AFFAIRS—*contd.*	
PROVISION FOR HINDI TEACHING TO CENTRAL GOVERNMENT EMPLOYEES	10,53
ADVANCES FOR COLONISATION SCHEME IN ANDAMAN AND NICOBAR ISLANDS	8,65
LOANS TO THE DELHI MUNICIPAL CORPORATION. . .	90,00
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
POLICE HOUSING SCHEMES	3,00,00
WAYS AND MEANS ADVANCES TO JAMMU AND KASHMIR GOVERNMENT FOR PROCURING FOODGRAINS . . .	75,00
LOANS TO JAMMU AND KASHMIR GOVERNMENT FOR REPAYMENT OF AMOUNTS ON ACCOUNT OF POST OFFICE DEPOSITS	41,00
123—CAPITAL OUTLAY OF THE MINISTRY OF HOME AFFAIRS	
INTER-ISLANDS COMMUNICATIONS	
In order to improve inter-islands communications in Andaman and Nicobar Islands provision has been made in the Budget for next year for purchase of one ship and three launches	46,30
DEVELOPMENT GRANTS TO STATES	
This provision represents the balance amount payable to the Governments of Madhya Pradesh and Rajasthan in respect of the development grants under the Gadgil Committee's award.	17,08

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF INFORMATION AND BROADCASTING	
62—BROADCASTING	
COMMUNITY LISTENING SCHEME	
The provision has been made in the Budget Estimates, 1959-60 for giving grants-in-aid to the State Governments for installation of Community receiving sets in rural areas covered by the All India Radio. The Scheme has been approved by the Planning Commission and the Government of India will bear expenditure to the extent of 50%. The remaining 50% will be contributed equally by the State Governments and the villagers concerned	15,00

(In thousands of Rupees)

Particulars	Budget, 1959-60

MINISTRY OF IRRIGATION AND POWER

65—MULTIPURPOSE RIVER SCHEMES

TECHNICAL TRAINING CENTRES

Two Technical Training Centres were started, one each at Kotah and Nagarjunasagar for imparting specialised training to operators and mechanics in heavy earth moving equipment generally used on the river valley projects. The provision made in the Budget Estimates, 1959-60 represents expenditure on the running and maintenance of these Centres. . . 5,00

GANGA BASIN WATER STUDIES

With a view to ensure dependable and accurate river discharge data observed in accordance with the most modern techniques and equipment and uniformity of observations and records, the Government of India have assumed direct responsibility for field work of hydrologic (gauge and discharge) observations on the main Ganga river and all its important tributaries. The total cost of the scheme is Rs. 69·23 lakhs out of which an expenditure of Rs. 26·30 lakhs will be incurred during 1959-60 26,30

DISCHARGE OBSERVATIONS OF RIVER CHANDRA AT TINDI AND INVESTIGATIONS ON RIVER BEAS

From the Indo-Pakistan canal water dispute point of view, it is extremely important to know the storage potential on the Chenab, Ravi and the Beas. With this end in view and also to prepare a plan for ultimate utilisation in India of the waters of the three Eastern rivers allocated to her under the World Bank proposal of February, 1954 the investigations have been taken up by the Government of Punjab at the instance of the Central Government. A provision of Rs. 30 lakhs has been made in the Budget Estimates, 1959-60 towards expenditure on this scheme . 30,00

BRAHMAPUTRA BASIN

The Brahmaputra river is known to have acute flood problems. In treating this river and its major tributaries, on a comprehensive basis, it is necessary to have systematic and complete investigations. With this end in view and at the request of Assam Government to take up the surveys and investigations in the Brahmaputra basin for flood control planning, the investigations were started in September, 1954. A sum of Rs. 10·16 lakhs has been provided for expenditure on these investigations in the Budget Estimates, 1959-60. The entire expenditure is recoverable from the Assam Government 10,16

CENTRAL INDIA AND DECCAN RIVERS BASINS

For undertaking the collection of hydrological data and carrying out preminary surveys for flood control and planning of water resources development in the Narbada, Tapti, Godavari, Krishna and Pennar river systems of Central India and Deccan rivers basins, the Central India and Deccan Rivers Circle was formed under the Central Water and Power Commission in November, 1954. A sum of Rs. 8·18 lakhs has been provided in the Budget Estimates, 1959-60 for expenditure on the investigations to be carried out in this connection 8,16

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF IRRIGATION AND POWER—*contd.*	
66—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF IRRIGATION AND POWER	
FUNDAMENTAL AND BASIC RESEARCH	
With a view to encouraging research in the country on problems of basic and fundamental nature pertaining to river valley projects and flood control works and in order to achieve economies by the development of proper technique, a scheme of research has been sanctioned and the entire estimated expenditure of Rs. 1·05 crores on the scheme will be borne by the Government of India. A sum of Rs. 20 lakhs has been provided in the Budget Estimates, 1959-60 for giving grants-in-aid to the State Research Stations, etc.	20,00
SUBSIDY IN LIEU OF INTEREST ON LOANS UNDER THE PROGRAMME OF PERMANENT IMPROVEMENT OF SCARCITY AREAS	
The loans sanctioned heretofore under the programme of permanent improvement of scarcity affected areas were sanctioned free of interest for a period of first five years. The Government of India have now decided that no interest free loans should be sanctioned with effect from the current financial year and that interest charges should be counterbalan ced by the grant of subsidy in respect of the period for which the loans w ould have been interest-free under the original terms. A sum of Rs. 12·84 lakhs has been provided in the Budget Estimates, 1959-60 as subsidy to cover the interest on loans paid or to be paid during the year 1958-59	12,84
SUBSIDY IN LIEU OF INTEREST ON LOANS FOR FLOOD CONTROL SCHEMES	
The provision included in the Budget Estimates, 1959-60 represents subsidy to cover the amount of interest on loans paid or to be paid to the State Governments during 1958-59 in respect of flood control schemes	44,35
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
NATIONAL PROJECTS CONSTRUCTION CORPORATION (PRIVATE) LIMITED	
To assist the State Governments who have not got an adequate organisation for the execution of river valley projects, and to ensure the optimum utilisation of available technical personnel and serviceable machinery rendered surplus on projects nearing completion, the National Projects Construction Corporation (Private) Limited was established in 1957. The Corporation has undertaken some works on the Chambal Project Canal System. The scheme is included in the Second Five Year Plan. A sum of Rs. 10 lakhs as loan assistance to the Corporation has been included in the Budget Estimates, 1959-60	10,00
125—CAPITAL OUTLAY ON MULTIPURPOSE RIVER SCHEMES	
CENTRAL WATER AND POWER RESEARCH STATION, POONA	
With a view to meeting the demands of research work connected with the schemes included in the Second Five Year Plan and to achieve economy by development of proper technique with the aid of research, a sum of Rs. 4 crores has been provided under the Second Five Year Plan for investigation and research work. A scheme for the expansion of the Central Water and Power Research Statio a, Poona, estimated to cost	

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF IRRIGATION AND POWER—*concld.*	
Rs. 95·6 lakhs has been approved. For implementing the following expansion schemes partially a sum of Rs. 18 lakhs has been provided in the Budget Estimates, 1959-60—	
(*i*) Land acquisition for expansion of the Field Research Station at Khadakvasla ;	
(*ii*) Construction of Field Hydraulic Laboratory with water circulating system and other allied works at Khadakvasla ;	
(*iii*) Construction of combined Indore Hydraulic Laboratory and High Head Structures Testing Laboratory ;	
(*iv*) Instruments Laboratory and extension of workshop ;	
(*v*) Construction of laboratory-*cum*-office building at Khadakvasla; and	
(*vi*) Approaches and internal roads in Field Research Station, Khadakvasla	18,00
126—OTHER CAPITAL OUTLAY OF THE MINISTRY OF IRRIGATION AND POWER	
FLOOD CONTROL WORKS IN DELHI	
Flood control works in Union Territories are the direct responsibility of the Government of India. A sum of Rs. 3·08 crores has been allocated in the Second Five Year Plan for financing expenditure on flood control works in the Union Territories including Delhi.	
The budget provision of Rs. 9·01 lakhs for 1959-60 is made to cover expenditure on the various flood control works in Delhi territory. . .	9,01
PROVISION FOR ELECTRICITY SCHEMES IN HIMACHAL PRADESH	85,73
PROVISION FOR ELECTRICITY SCHEMES IN TRIPURA . .	12,00
PROVISION FOR ELECTRICITY SCHEMES IN MANIPUR . .	16,90
PROVISION FOR ELECTRICITY SCHEMES IN N.E.F.A. . .	9,50
PROVISION FOR ELECTRICITY SCHEMES IN NAGA HILLS AND TUENSANG AREAS	7,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF LABOUR AND EMPLOYMENT	
69—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF LABOUR AND EMPLOYMENT	
MANPOWER AND EMPLOYMENT SCHEMES	
The provision is required to meet Central Government's share of expenditure to be incurred by the State Governments on the existing Employment Exchanges and their expansion and other schemes . . .	52,00
SCHEMES FOR THE TRAINING OF CRAFTSMEN	
The provision is required to meet Central Government's share of expenditure to be incurred by the State Governments on the existing industrial training institutes and their expansion including cost of land and construction of buildings to house training institutes, with cost of tools and equipment required for them and other schemes	3,56,98
SCHEMES FOR THE TRAINING OF EDUCATED UNEMPLOYED	
The scheme is meant to set up work-*cum*-orientation centres for educated unemployed for their absorption in the production centres set up by the Ministry of Commerce and Industry under the Second Five Year Plan. The entire recurring expenditure and 60% of the non-recurring expenditure on the scheme is borne by the Central Government .	47,83
PURCHASE OF TOOLS AND EQUIPMENT FOR CENTRAL TRAINING INSTITUTES FOR INSTRUCTORS	
The provision is required for the purchase of tools and equipment for the Central training institutes for instructors in order to provide refresher courses for instructors employed in centres of the State Governments as well as in private institutes and to train new instructors. The entire expenditure will be borne by the Central Government.	9,52
SCHEME FOR THE TRAINING OF DISPLACED PERSONS FROM WEST PUNJAB	
The provision is required for training of displaced persons from West Pakistan in crafts under the Second Five Year Plan. The entire expenditure is borne by the Central Government	23,71
FAMILY BUDGET ENQUIRY	
The provision has been made for grant payable to the Indian Statistical Institute for the tabulation work	5,25

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF REHABILITATION	
73—EXPENDITURE ON DISPLACED PERSONS AND MINORITIES	
ACCOMMODATION	
A provision of Rs. 1·35 lakhs is intended for expenditure on accommodation of displaced persons from East Pakistan in Tripura territory. The balance amount of Rs. 30·01 lakhs is for reimbursement to certain State Governments of the arrears payable in respect of expenditure incurred by them in past years on displaced persons from West Pakistan	31,36
GRANTS TO STATE GOVERNMENTS FOR RELIEF AND REHABILITATION OF DISPLACED PERSONS	
The provision is for reimbursement to the various State Governments of the arrears payable in respect of expenditure incurred by them in the previous years on relief and rehabilitation of displaced persons from West Pakistan and is also intended for grants to the State Governments for expenditure on various relief schemes for East Pakistan displaced persons.	3,63,39
MISCELLANEOUS SCHEMES	
The provision is for expenditure on miscellaneous schemes for rehabilitation of displaced persons from West Pakistan in the Union Territory of Delhi, etc.	44,87
REHABILITATION GRANTS	
This is intended for grants to the State Governments for expenditure on Educational, Medical and Cultural Institutions, Central Government's share of expenditure on headquarters staff, etc. in regard to displaced persons from West Pakistan and also for expenditure on rehabilitation schemes of displaced persons from East Pakistan.	3,98,82
GRANTS FOR INDUSTRIES	
The provision is intended for grant of subsidy to the State Governments for installation of industries in the colonies set up for displaced persons with a view to mitigating unemployment.	12,53
WORKS	
Provision has been made for expenditure on maintenance, normal repairs of buildings constructed in the Union Territories of Delhi and Tripura for housing displaced persons	17,25
MANAGEMENT, SALE, ETC. OF EVACUEE AND GOVERNMENT BUILT PROPERTY	
Provision has been made for management, repairs, sale, etc. of acquired evacuee property forming part of the compensation pool and of Government built property.	13,00
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
LOANS FOR REHABILITATION PURPOSES	
Provision has been made for grant of housing, urban, rural and industrial loans to the State Governments, for relending to displaced persons for their rehabilitation	10,36,89

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF REHABILITATION—*concld.*	
ADVANCES TO CULTIVATORS	
The provision has been made for grant of Rural Loans to displaced persons from East Pakistan in the Union Territory of Tripura . . .	1,16,00
REHABILITATION LOANS TO DISPLACED PERSONS	
The provision is intended for housing loans to the displaced persons from West Pakistan, for grant of loans to displaced persons from East Pakistan for their settlement in the Dandakaranya area and for grant of loans to the Rehabilitation Industries Corporation	2,61,60
LOANS TO DISPLACED PERSONS IN UNION TERRITORIES	
The provision is required for grant of housing and industrial loans to displaced persons from East Pakistan in the Union Territory of Tripura .	10,00
INTERIM RELIEF TO DISPLACED PERSONS	
The provision is intended to meet expenditure on interim relief granted to displaced persons from West Pakistan, pending recovery from Pakistan Government of the amounts of pension, provident fund, etc. due to them on account of services in the areas now in Pakistan	24,00
128—CAPITAL OUTLAY OF THE MINISTRY OF REHABILITATION	
REHABILITATION INDUSTRIES CORPORATION	
The provision is intended for setting up of a Rehabilitation Industries Corporation which will establish and promote industries for providing employment to East Pakistan displaced persons. . . .	1,00,00
DANDAKARANYA DEVELOPMENT SCHEME	
The provision is made for development of the Dandakaranya area for rehabilitation of displaced persons from East Pakistan as well as for the welfare of the local population	6,00,00
PAYMENT TO DISPLACED PERSONS	
The provision is intended for payment of compensation to displaced persons against verified claims for immovable property left in West Pakistan	13,20,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS	
76—SURVEY OF INDIA	
AIR SURVEY	
The budget provision represents expenditure on paymen s to I. A. F. and the Air Survey Company for aerial photography carried out by them and also for additional supplies of prints, etc.. . .	51,55
79—SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS	
GRANTS FOR SCIENTIFIC AND TECHNICAL EDUCATION	
The provision of Rs. 2.15 crores has been included in the Budget Estimates, 1959-60 for grants-in-aid to the States in respect of schemes to be implemented jointly by the Central and State Governments for development of scientific and technical education and research in the State Government non-university institutions	2,15 05
GRANTS TO SCIENTIFIC SOCIETIES AND INSTITUTES	
A provision of Rs. 1·95 crores has been made in the next year's Budget for grants-in-aid in respect of certain Centrally sponsored schemes for development of scientific and technical education and research in non-Government non-university institutions of engineering and technology. The schemes are included in the Second Five Year Plan of technical education in the Central sector	1,94,78
GRANTS AND DONATIONS TO SCIENTIFIC SOCIETIES AND INSTITUTES	
The Government of India have been giving grants-in-aid to scientific institutes which play an important part in the scientific advancement of the country both by carrying out research activities and by training scientists in the various specialised researches going on at the institutes. A provision of Rs. 38·88 lakhs has been made in the Budget Estimates, 1959-60 for this purpose	38,88
RESEARCH TRAINING SCHOLARSHIPS	
Research Training Scholarships Scheme was initiated in 1949-50 on the recommendations of the Scientific Manpower Committee with the twin objective of training research workers and promoting scientific and technological research in Universities and other educational institutions. A sum of Rs. 17 lakhs has been included in the Budget Estimates, 1959-60 for this scheme	17,00
PAYMENT TO COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH FOR MEETING THEIR RECURRING EXPENDITURE	3,45,00
MATERIAL AND EQUIPMENT UNDER THE T. C. A. PROGRAMME AND COLOMBO PLAN FOR COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH	18,06
MATERIAL AND EQUIPMENT UNDER THE T. C. A. PROGRAMME FOR INDIAN INSTITUTE OF TECHNOLOGY, KHARAGPUR.	10,87

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS—*contd.*	
REORGANISATION OF MUSEUMS	
The provision of Rs. 15.47 lakhs has been made to meet expenditure for implementing the recommendations of the Expert Museums Survey Committee like giving grants to museums and the State Governments, for training of museum personnel, publications, etc. . .	15,47
INSTITUTES OF TECHNOLOGY	
The provision has been made for giving grants-in-aid to the following institutes for purchase of equipment, construction of buildings, etc.	
(*i*) Indian Institute of Technology, Kharagpur	1,19,01
(*ii*) Indian Institute of Technology, Madras	55,00
(*iii*) Indian Institute of Technology, Bombay	1,03,50
SAHITYA AKADEMI	
The Sahitya Akademi has been set up by the Government of India as an autonomous body to work actively for the development of Indian letters and to establish high literary standards, to foster and coordinate literary activities in all the Indian languages. A sum of Rs. 6 lakhs has been provided in the Budget Estimates, 1959-60 for giving grants to the Akademi	6,00
SANGEET NATAK AKADEMI	
The Sangeet Natak Akademi is the premier national body set up by the Government in the field of dance, drama and music. Its activities have expanded considerably during the last few years. In view of the expanding activities of the Akademi, a provision of Rs. 14·04 lakhs as grants-in-aid has been made in the next year's Budget	14,04
MODERN INDIAN LANGUAGES	
The scheme 'Development of Modern Indian Languages' is included in the Second Five Year Plan and total provision of Rs. 20 lakhs exists for the scheme for the Plan period. The scheme provides for financial assistance to all Indian languages except Hindi and Sanskrit .	7,00
CULTURAL DELEGATIONS TO AND FROM FOREIGN COUNTRIES	
The provision is intended to promote mutual goodwill and understanding between India and other countries of the world through exchange of cultural delegations	12,25
CULTURAL ACTIVITIES	
The provision is intended to encourage cultural activities like presentation of books to libraries and educational institutions abroad, grants to educational and cultural organisations ; participation in international exhibitions, conferences and congresses; sending and inviting cultural lecturers; award of prizes to best students of Hindi in foreign countries, etc. .	8,75
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
LOANS TO STATE GOVERNMENTS FOR CONSTRUCTING BUILDINGS FOR HOSTELS FOR STUDENTS OF ENGINEERING AND TECHNICAL INSTITUTES	75,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS—*concld.*	
LOANS FOR CONSTRUCTION OF HOSTELS AND INSTITUTIONS UNDER THE SCHEME OF DEVELOPMENT OF SCIENTIFIC AND TECHNICAL RESEARCH	75,00
LOAN TO NATIONAL RESEARCH DEVELOPMENT CORPORATION	5,00
129—CAPITAL OUTLAY OF THE MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS	
EQUIPMENT FOR INDIAN SCHOOL OF MINES AND APPLIED GEOLOGY, DHANBAD	5,00
GRANTS-IN-AID TO THE COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH	2,00,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF STEEL, MINES AND FUEL	
82—GEOLOGICAL SURVEY	
EXPANSION OF GEOLOGICAL SURVEY	
The provision has been made for providing staff and equipment of the Geological Survey of India for further expansion under the Second Five Year Plan.	1,57,67
83—EXPLORATION OF OIL AND NATURAL GAS	
OIL AND NATURAL GAS	
The provision has been made for providing staff and equipment and for meting operational expenses in connection with the exploration and prospecting for oil in Punjab, Himachal Pradesh, Jammu and Kashmir, Rajasthan, Bombay, Uttar Pradesh and Assam. It also includes expenditure on geological surveys, geophysical surveys, operational cost of deep, structural and shallow drilling, electro-logging and gas logging, training in India and abroad, and services of foreign personnel	3,38,55
84—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF STEEL, MINES AND JUEL	
INDIAN BUREAU OF MINES	
The Indian Bureau of Mines has undertaken extensive investigation work under the Second Five Year Plan for prospecting of minerals in the country particularly for copper, sulphur, lead, zinc, etc., as a necessary prerequisite to the economic exploitation of minerals and formulation of a firm policy of all round industrial development. The important investigations included in the Second Five Year Plan are (*i*) exploitation of Khetri and Daribo Copper deposits; (*ii*) exploitation of Panna Diamond deposits (*iii*) exploration of Amjore Pyrites and; (*iv*) investigation of lignite deposits in Kashmir. The programme in itself is a continuous one and the investigations already started will be continued during the next year. At present exploration, drilling and underground development operations are in progress in Daribo and Khetri for copper, magnite at Almora and Pyrites at Amjore	29,10
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
DEVELOPMENT OF HUTTI GOLD MINES	
The Planning Commission have approved the scheme for the development of Hutti Gold Mines estimated to cost Rs. 80 lakhs during the Second Five Year Plan period. A provision of Rs. 18 lakhs has been made in the Budget Estimates, 1959-60 for loan assistance to the Government of Mysore for the development of these Mines	18,00
NATIONAL COAL DEVELOPMENT CORPORATION (PRIVATE) LTD.	
The coal development programme has been included in the public sector and it has been decided to raise an additional output of 10·5 million tons of coal by the end of the Second Five Year Plan. A provision of Rs. 10 crores to be given as loan to the Corporation has been made in the Budget Estimates, 1959-60	10,00,00
SINGARENI COLLIERIES COMPANY LTD.	
Under the expansion scheme of Singareni Collieries Company it has been decided to raise an additional production of 1·5 million tons of coal by the end of the Second Five Year Plan. A sum of Rs. 40 lakhs to be given as loan to the Company has been included in the Budget Estimates, 1959-60	40,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF STEEL, MINES AND FUEL—*contd.*	
LOAN TO HINDUSTAN STEEL (PRIVATE) LIMITED	
The provision has been made in the Budget Estimates, 1959-60 for advancing loans to the Hindustan Steel (Private) Limited for defraying the charges in respect of the three Steel Plants at Bhilai, Durgapur and Rourkela and for meeting the expenditure on the Coal Washeries and the fourth steel plant at Bokaro	122,00,00
LOAN TO INDIAN IRON AND STEEL COMPANY LTD.	
A sum of Rs. 2 crores has been included in the Budget Estimates, 1959-60, for giving loan to the Indian Iron and Steel Company for completing their expansion schemes	2,00,00
130—CAPITAL OUTLAY OF THE MINISTRY OF STEEL, MINES AND FUEL	
MATERIAL AND EQUIPMENT UNDER THE T. C. A. PROGRAMME	
Provision has been made in the Budget for the estimated expenditure on the distribution of the steel proposed to be imported, which includes the estimated cost based on prices in world markets and the expenditure in India on customs duty, handling and clearing etc. . .	10,31
ESTABLISHMENT OF AN ALLOY AND STEEL PLANT	
To augment the production of stainless steel, it has been decided to set up an alloy and steel plant in the public sector. The Budget provision made is for the cost of the project report, survey investigation, negotiations, etc.	10,00
PURCHASE OF SHARES IN BOLANI ORES (PRIVATE) LTD.	
For the supply of iron ore to the Durgapur Steel Project, a company called M/s. Bolani Ores (Private) Limited has been floated in collaboration with M/s. Orissa Minerals Development Company Limited, Calcutta for working the iron ore mines at Bolani. The provision of Rs. 5.05 lakhs during 1959-60 represents Government's share of the total investment of the Company during that year	5,05
PURCHASE OF SHARES IN SINGARENI COLLIERIES COMPANY LIMITED	
Under the expansion scheme of Singareni Coelieries Company it has been decided to raise an additional production of 1·5 million tons of coal by the end of the Second Five Year Plan. A provision of Rs. 1·2 crores has been made in the Budget Estimates, 1959-60 for purchasing shares of the Company	1,20,00
PURCHASE OF SHARES OF NATIONAL COAL DEVELOPMENT CORPORATION	
The coal development programme has been included in the public sector and it has been decided to raise an additional output of 10·5 million tons of coal by the end of the Second Five Year Plan. A sum of Rs. 50 lakhs has been included in the Budget Estimates, 1959-60 for purchasing shares of the Corporation	50,00
INTEGRATED NEYVELI LIGNITE PROJECT	
The execution of the Integrated Project as a whole has been accepted in principle by the Government who have already sanctioned implementation of its mining part. The project report for the Neyveli Thermal Power Station, which is being set up under the Soviet 500 million rouble credit, has been received from Messrs. Techno Export, Moscow and has also been accepted. Negotiations are now in progress with the Soviet Organisation for concluding a further contract for the supply of machinery and equipment required for the thermal power station. According to the project report the first unit of 50 k.w. capacity is expected to be commissioned by the end of March, 1961, and full production of power achieved by the middle of 1962. A provision of Rs. 13 crores has been made in the next year's Budget	13,00,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF STEEL, MINES AND FUEL—*contd.*	
OIL INDIA (PRIVATE) LTD.	
An agreement has been executed with the Burma Oil Company and Assam Oil Company for the formation of a Rupee Company called Oil India (Private) Limited for production and transportation of crude oil in Assam. The Government of India will participate in this joint venture to the extent of 33 1/3%. Laying of a pipe-line for the transportation of crude oil will be undertaken by the company in two stages. During the first stage the pipe-line will be laid up to an intermediate locality in Assam and in the second stage it will be extended upto Barauni in North Bihar. Oil produced by the company will be sold to the two Government owned refineries to be set up in Assam and Bihar. The provision made in the next year's Budget represents Government of India's expenditure in this connection	2,00,00
NATIONAL MINERAL DEVELOPMENT CORPORATION	
The Government of India has entered into an agreement with the Government of Japan for the export of iron ore on a long term basis commencing from the year 1964 of approximately two million tons per annum from Rourkela. For this, an agreement has been signed with the Government of U. S. A. for loan assistance of $20 million for the development of iron ore at or near Kirubiru, completion of railway between the mine and the port, etc. The Government of Japan has also undertaken to provide $8 million for the purchase of mining equipment and other materials from Japan. A sum of Rs. 10 lakhs has been provided in the Budget Estimates, 1959-60 for purchasing shares of the Corporation . .	10,00
INDIAN REFINERIES (PRIVATE) LTD.	
The agreement concluded between the Government of India and the Burma Oil Company/Assam Oil Company for the formation of a company for the production and transportation of crude oil in Assam, *inter alia* provided that the crude oil produced by the company shall be processed by the two oil refineries to be set up in the public sector, one in Assam and the other in Bihar. For the management and control of these refineries a wholly Government owned company has been incorporated. A provision of Rs. 1·7 crores has been made in the Budget Estimates, 1959-60.	1,70,00
CONTRIBUTION TO INDO-STANVAC PETROLEUM PROJECT	
In accordance with an agreement entered into with the Standard Vacuum Oil Company for the exploration of oil in West Bengal, the Government of India has to contribute 25% of the cost of joint operations under this project. A sum of Rs. 44·39 lakhs has been provided in the Budget Estimates, 1959-60 on account of Government of India's contribution during that year	44,39
OIL EXPLORATION SCHEMES	
A provision of Rs. 282·54 lakhs has been made in the Budget Estimates, 1959-60 for procurement of geological, geophysical, drilling and miscellaneous equipment and transport vehicles. It also includes provision for construction work in field areas required in connection with the exploration and prospecting for oil and natural gas by the Oil and Natural Gas Commission in the various States	2,82,54

(In thousands of Rupees)

Particulars	Budget 1959-60
MINISTRY OF STEEL, MINES AND FUEL—*concld.*	
COAL PRODUCTION PROGRAMME	
A target of production of an additional 12 million tons of coal in the public sector by 1961 has been laid down in the Second Five Year Plan. The Indian Bureau of Mines has been entrusted with the detailed exploration and drilling in various coal fields necessary to prove reserves of about 800 million tons during the Second Five Year Plan period. The provision of Rs. 70 lakhs made in the Budget Estimates, 1959-60 is for continuing the work during that year. The entire expenditure will be recovered from the National Coal Development Corporation (Private) Ltd. . .	70,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF TRANSPORT AND COMMUNICATIONS	
88—LIGHTHOUSES AND LIGHTSHIPS	
LIGHTHOUSES	
The provision is intended for the scheme of improvement of aids to navigation along the coast of India	68,17
91—AVIATION	
SUBSIDY TO INDIAN AIRLINES CORPORATION . . .	15,00
SUBSIDY TO FLYING AND GLIDING CLUBS	
As Flying is costly, subsidies are paid to Flying Clubs which provide flying training to youngmen at concessional rates	19,08
94—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF TRANSPORT AND COMMUNICATIONS	
TOURIST PUBLICITY	
The provision relates to the expenditure on printing of guide books, purchase of photographs, picture post cards, cottage industry's products etc., and on hospitality and public relations, market research survey and statistical survey, scholarships, etc.	10,70
MONITORING ORGANISATION	
The scheme is for the setting up of a net-work of Monitoring Station, six in number at Delhi, Bombay, Nagpur, Culcutta, Madras and one at other suitable place. The present provision is for continuance of establishment and purchase of wireless equipment for the Monitoring Organisation	5,77
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
DELHI TRANSPORT UNDERTAKING	
The provision represents loan assistance to be given to the Delhi Municipal Corporation for the purchase of motor vehicles and construction of staff quarters, etc. for their Transport Undertaking	40,00
LOANS FOR THE DEVELOPMENT OF SHIPPING INDUSTRY	
The Second Five Year Plan provided a sum of Rupees 17 crores for the grant of loans during 1957-58 to 1960-61 to the prtvate shipping companies. Out of this, loans to the extent of Rs. 1407·61 lakhs have already been granted for ordering construction of new ships both for coastal and overseas trades.	
The Merchant Shipping Act, 1958, provides for the establishment of a Shipping Development Fund on a statutory basis to provide a permanent source of rupee finance mainly for giveing loans to the Indian Shipping Companies. The Fund is to be built up from loans and grants from the Central Government. A provision of Rs. 482·96 lakhs as loan to the private shipping companies and Rs. 505·91 lakhs as loan to the Shipping Development Fund has been included in the Budget Estimates 1959-60	9,88,87

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF TRANSPORT AND COMMUNICATIONS—*contd.*	
INDIAN TELEPHONE INDUSTRIES (PRIVATE) Ltd.	
Indian Telephone Industries (P) Ltd., Bangalore, have got a capital expenditure programme of Rs. 2·18 crores during the entire Second Plan period. The Central Government's assistance to Indian Telephone Industries towards this programme will be to the extent of Rs. 50 lakhs only by way of loans during the Second Plan period. A provision of Rs. 9 lakhs has been made for the year 1959-60 towards granting loans to Indian Telephone Industries	9,00
DEVELOPMENT OF MINOR PORTS	
The Second Five Year Plan includes a provision of Rs. 5 crores for the development of certain selected Minor Ports during the Plan period by way of loans to State Governments. A provision of Rs. 35 lakhs has been made in the Budget Estimates, 1959-60 for loan assistance to the various maritime States	35,00
PORT TRUSTS	
A provision of Rs. 2·1 crores has been included in the Budget Estimates, 1959-60 for giving loans for the development schemes of Trust Ports of Calcutta, Bombay and Cochin	2,10,00
131—CAPITAL OUTLAY ON INDIAN POSTS AND TELEGRAPHS	
PURCHASE OF QUARTERS AT LUCKNOW FROM UTTAR PRADESH GOVERNMENT	6,17
THE PROVISION IS FOR OPENING OF 1500 LINE AUTO EXCHANGE AT JAMSHEDPUR	9,00
THE PROVISION IS FOR EXPENDITURE IN CONNECTION WITH THE TRANSFER OF TELEGRAPH WORKSHOP TO A NEW SITE AT BOMBAY	23,63
EXPANSION OF AUTO EXCHANGE BY 900 LINES AT PATNA .	7,00
EXPANSION OF AUTO TELEPHONE SYSTEM BY 1500 LINES AT BANGALORE	7,00
132—CAPITAL OUTLAY ON CIVIL AVIATION	
AVIATION WORKS	
A provision of Rs. 57·70 lakhs has been made in the Budget for 1959-60 for development of Santa cruz, Dum Dum and Palam Air ports for use by Jet transport aircrafts and other aerodromes to cope with the increase in air transport operations in the country for the last few years and growing demands for the Civil Aviation in the years ahead. In addition a provision of Rs. 16·91 lakhs has also been made for the purchase of essential items of equipment (including H. T. 2 Aircrafts) of a specialised nature required for the various services of the Civil Aviation Department. . . .	74,61

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF TRANSPORT AND COMMUNICATIONS—*contd.*	
133—CAPITAL OUTLAY ON PORTS	
KANDLA PORT	
The revised cost of the Kandla Port Project is now estimated at Rs. 13·83 crores. The first stage of works has been completed and the provision made in the Budget represents expenditure on he project during 1959-60	1,85,00
TOWNSHIP OF GANDHIDHAM	
The scheme for the development of Gandhidhamt Township is estimated to cost Rs. 3·57 crores. Provision of Rs. 28·5 lakhs has been made in the Budget Estimates, 1959-60	28,50
DEVELOPMENT SCHEMES OF VIZAGAPATAM PORT	
The provision has been made for the construction of four berths, for providing Belt Conveyor System and auxiliary facilities such as railway sidings, plans, etc., for handling ore and also for providing additional facilities for night navigation at the port	85,00
134—CAPITAL OUTLAY ON ROADS	
CONSTRUCTION OF NATIONAL HIGHWAYS	
A provision of Rs. 9 crores has been made in the Budget Estimates, 1959-60 for the construction and development of roads classed as National Highways in the various States all over India. The scheme is included in the Second Five Year Plan	8,90,00
CONSTRUCTION OF ROADS OTHER THAN NATIONAL HIGHWAYS	
The provision is for the construction and development of roads other than National Highways in the Union Territories and certain special roads in the Jammu & Kashmir State and Assam	4,25,00
STATE ROADS OF ECONOMIC OR INTER-STATE IMPORTANCE	
A sum of Rs. 3·35 crores has been included in the Budget Estimates, 1959-60 for the development of (*i*) Inter-State roads necessary for ensuring through communication ; (*ii*) roads required for opening up new areas to which railway facilities cannot be provided in the near future ; (*iii*) roads in border and hilly areas which are either of strategic importance or which can contribute materially to rapid economic development ; and (*iv*) roads required for the development of tourist traffic in the country	3,35,00
135—OTHER CAPITAL OUTLAY OF THE MINISTRY OF TRANSPORT AND COMMUNICATIONS	
PURCHASE OF SHARES IN HINDUSTAN SHIPYARD (PRIVATE) LTD.	
In view of the importance of the shipbuilding industry, Government acquired a controlling interest in the Visakhapatnam Shipyard. Government will hence-forth acquire shares against the money advanced to the shipyard to meet its development expenditure	26,54
INVESTMENT IN THE EASTERN SHIPPING CORPORATION	
A sum of Rs. 1·95 crores has been provided in the next year's Budget for paying the instalments due to the Hindustan Shipyard (Private) Limited for the three ships being built there for the Corporation and for purchase of secondhand ships	1,95,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF TRANSPORT AND COMMUNICATIONS—*concld.*	
INVESTMENT IN THE WESTERN SHIPPING CORPORATION	
The provision of Rs. 1·6 crores has been made in the Budget for paying instalments to the foreign shipyards in West Germany, Italy and Yugoslavia as well as to the Hindustan Shipyard (Private) Limited, Visakhapatnam, on whom orders for vessels have been placed by the Corporation. The provision also includes a sum of Rs. 25 lakhs for purchase of second-hand vessels	1,60,00
AIR-INDIA INTERNATIONAL CORPORATION	
The provision has been made for purchase of installed and spare engines for the three Boeing 707 jet aircraft on order and also for workshop expansion project	2,88,00
INDIAN AIRLINES CORPORATION	
The provision has been made for meeting miscellaneous items of capital expenditure including construction of office buildings at Calcutta	80,16
DREDGER CUM SURVEY POOL	
A provision of Rs. 30 lakhs has been made in the Budget Estimates, 1959 60 for establishing a dredger cum survey pool which, when established, is expected to increase the handling capacity of the minor ports from 5 to 6 million tons	30,00
ROAD TRANSPORT IN HIMACHAL PRADESH	
The provision has been made for the expansion of the nationalised road transport services in Himachal Pradesh under the Second Five Year Plan	12,50

(In thousands of Rupees)

Particulars	Budget, 1959-60
MINISTRY OF WORKS, HOUSING AND SUPPLY	
118—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT	
LOANS TO STATE GOVERNMENTS AND INDUSTRIAL WORKERS' COOPERATIVE SOCIETIES FOR CONSTRUCTION OF HOUSES FOR INDUSTRIAL WORKERS	3,00,00
CONSTRUCTION OF HOUSES AND ACQUISITION AND DEVELOPMENT OF LAND UNDER THE LOW INCOME GROUP HOUSING SCHEMES	7,00,00
GRANT OF LOANS TO STATE GOVERNMENTS FOR SLUM CLEARANCE	2,39,00
LOANS TO STATE GOVERNMENTS FOR PLANTATION LABOUR HOUSING	20,00
LOANS TO STATE GOVERNMENTS FOR VILLAGE HOUSING PROJECTS	2,00,00
LOANS TO PRIVATE EMPLOYERS FOR CONSTRUCTION OF HOUSES FOR INDUSTRIAL WORKERS	50,00
LOANS TO THIRD PARTIES IN CENTRALLY ADMINISTERED AREAS FOR CONSTRUCTION OF HOUSES	45,00
LOANS IN UNION TERRITORIES FOR VILLAGE HOUSING PROJECTS	10,00
GRANT OF LOANS TO CENTRAL GOVERNMENT SERVANTS FOR HOUSE BUILDING PURPOSES	50,00
137—OTHER CAPITAL OUTLAY ON BUILDINGS	
EXPENDITURE IN UNION TERRITORIES ON INDUSTRIAL HOUSING	20,00
138—OTHER CAPITAL OUTLAY OF THE MINISTRY OF WORKS, HOUSING AND SUPPLY	
GRANT TO STATE GOVERNMENTS AND CO-OPERATIVE SOCIETIES OF INDUSTRIAL WORKERS FOR CONSTRUCTION OF HOUSES UNDER THE SUBSIDISED INDUSTRIAL HOUSING SCHEME	3,00,00
GRANT TO PRIVATE EMPLOYERS FOR CONSTRUCTION OF HOUSES UNDER THE SUBSIDISED INDUSTRIAL HOUSING SCHEME	50,00
GRANTS TO STATE GOVERNMENTS FOR SLUM CLEARANCE	1,91,00
GRANTS TO STATE GOVERNMENTS TOWARDS THE COST OF RURAL HOUSING CELLS SET UP FOR IMPLEMENTATION OF VILLAGE HOUSING PROJECTS SCHEME.	5,00

(In thousands of Rupees)

Particulars	Budget, 1959-60
DEPARTMENT OF ATOMIC ENERGY	
101—ATOMIC ENERGY RESEARCH	
RESEARCH AND DEVELOPMENT OF ATOMIC ENERGY	
The provision is intended for meeting expenditure on (*i*) research and development of atomic energy (*ii*) prospecting and mining of minerals necessary for production of atomic energy, and (*iii*) other miscellaneous research schemes	4,25,70
139—CAPITAL OUTLAY OF THE DEPARTMENT OF ATOMIC ENERGY	
LAND ACQUISITION	
The provision is intended for acquisition of land to locate the Atomic Energy Establishment and the attached township at Trombay and the residential colony for the staff of the Department of Atomic Energy in Bombay .	71,00
BUILDINGS AND ROADS	
The provision included is for the construction of the various laboratories of the Atomic Energy Establishment Trombay, at Trombay (*ii*) office and residential accommodation for mining staff of the Atomic Minerals Division, (*iii*) residential quarters for staff at Trombay, Bombay .	1,57,00
CANADA-INDIA REACTOR	
This reactor is being set up in collaboration with Canada under the Colombo Plan and work on it is in progress	1,55,00
ZERLINA REACTOR	
The Zero Energy Reactor under construction will be used for studies relating to new fuel configurations.	21,00
NEW PROJECTS	
The provision is intended for setting up of a number of essential ancillary projects like Fuel Fabrication Plant, Heavy Water Pilot Plant, Waste Disposal Plant, Central Workshops etc.	76,00
URANIUM ORE MILL	
A Uranium Extraction Plant to treat about 500 tons of ore initially is proposed to be set up in Bihar	10,00
NUCLEAR POWER STATION	
The provision has been made for setting up of nuclear power station of 250 mw of installed capacity	16,00

ANNEXURE VII

PROVISION FOR PLAN EXPENDITURE

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget 1959-60
	(A) REVENUE BUDGET			
2.—Industries.	Small Scale Industries	1,20,00	1,20,00	1,30,00
	Institute for Small Scale Industries	1,38,00	1,01,70	1,28,22
	National Small Industries Corporation	60,00	40,57	45,00
	Development of Handloom Industries	3,42,00	3,61,90	3,57,90
	Conversion of Handlooms into Powerlooms	30,00	15,00	15,00
	Indian Standards Institute	13,83	13,83	12,45
	Development of Khadi Industry (Traditional)	2,65,00	3,62,50	3,00,00
	Ambar Charkha	2,25,00	3,56,50	5,90,00
	Silk Industries	60,93	52,05	55,70
	Handicrafts Corporation	78,93	78,99	85,39
	Central Silk Board	8,00	6,00	6,00
	Grants-in-aid to National Productivity Council	20,00	6,19	15,00
	Village Industries	2,25,00	1,80,00	1,80,00
	Industrial Scheme for Rehabilitation of Displaced Persons	..	..	4,00
	Grants to National Industrial Development Corporation (P) Ltd.	5,00	5,00	15,00
	Coir Board	..	..	7,00
	TOTAL	15,91,69	17,00,23	19,46,66
5.—Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry.	Adoption of Metric system of Weights and Measures	..	17,00	25,00
	Foreign Trade Control	51	33	39
	TOTAL	51	17,33	25,39

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
7.—Community Development Projects, National Extension Service and Co-operation.	Development Officers Training Scheme	5,57	9,43	19,35
	Co-operative Training and Experiment	..	..	1,93
	Social Education Organisers Training Scheme	17,72	12,20	10,31
	Seminars for Project Executive Staff	25	3	..
	Study Tours and In-service Training for Project Executive Staff	1,78	5,00	50
	Training of Village Leaders and Youth	10,00	10,00	6,65
	Central Institute for Study and Research on Community Development	4,66	4,74	5,83
	Prize Competition among Village Level Workers	67	61	69
	Other Grants for Co-operation Schemes	..	..	64,57
	Grant to National Co-operative Training and Ware-Housing Board	..	..	2,00,00
	Apprenticeships in Village Development to University Students and Teachers	2,55	2,00	1,70
	Community Development Projects	11,43,98	11,31,00	15,00,00
	Training of Non-official members of Block Development Committees	..	16	1,00
	Training of Panchayat Secretaries	..	..	10,00
	Training of Panchayat Officers	..	..	1,69
	Trainers' Training Institute	..	70	2,61
	Prize Competition among best villages	..	95	1,03
	Bhoodan and Gramdan literature	..	3,63	50
	Basic and Cultural literature	..	75	10,00
	TOTAL	11,87,18	11,81,20	18,38,36

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
14.—Education.	Grants-in-aid to University Grants Commission	2,92,00	4,81,00	5,53,00
	Grants to Non-Government Arts Colleges.	..	..	58
	Scholarships to students of Scheduled Castes, Scheduled Tribes and Other Backward Classes	50,00	..	75,00
	Scholarships to foreigners for studies in India—Scholarships under General Cultural Scholarships Scheme	2,57	2,70	2,20
	Scholarships for studies and training abroad—Indo-German Industrial Co-operation Scheme	54	24	61
	Scholarships to Handicapped	1,75	1,42	1,90
	Scholarships for studies in Public Schools in India.—Merit Scholarships for post-Matriculation studies in India	5,64	5,43	7,70
	Research Scholarships in Humanities	2,30	1,75	3,00
	National Institute of Basic Education	1,88	1,50	1,88
	Scholarships for studies in Hindi to candidates from non-Hindi speaking areas	2,82	2,00	3,50
	National Fundamental Education Centre	2,57	2,15	3,00
	Grants to State Governments for—			
	(i) Centrally aided Schemes	11,97,18	10,00,00	15,00,00
	(ii) Centrally Sponsored Schemes	94,94	67,51	78,25
	Grants to Others	2,53,56	1,75,07	2,21,66
	Other Expenditure	60,34	37,46	53,69
	Grant to Punjab University	..	25,00	40,00
	Grant to Lucknow University	..	..	1,67
	Grant to Calcutta University	..	..	48
	Model School for Blind children	..	50	1,47
	Aid to Displaced Students from West Pakistan	..	4,26	14,89

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
14.—Education—*concld.*	Subsidy towards the Interest Charge on Loans for construction of hostels by Educational Institutes	..	..	40
	Local Cost of Foreign Experts and Technicians	6	58	2,47
	Material and equipment under T.C.A. programme. for Secondary Education Institutions	2,26	49	64,55
	Secondary Education—Training of Key personnel	47	4,2[illegible]	1,13
	Assistance to Regional Languages	2,82		27,95
	TOTAL	19,73,70	18,18,85	26,60,98
15.—Miscellaneous Departments and other Expenditure under the Ministry of Education.	Director of Archives	..	75	1,04
	Social Welfare Board	1,75,00	1,50,00	2,00 0
	Grants to U.N.E.S.C.O.	1,66	1,66	1,66
	TOTAL	1,76,66	1,52,41	2,02,70
16—Tribal Areas.	Political and Administrative Charges	..	..	32
	Works	..	..	6,83
	Forest	..	..	4,97
	Education	..	..	8,74
	Medical	..	..	9,97
	Public Health	..	..	4,57
	Agriculture	..	..	6,83
	Industries	..	..	1,96
	Community Development Projects	..	..	1,00
	Miscellaneous.	..	..	54
	TOTAL	..	..	45,73
17.—Naga -Hills-Tuensang Area.	Works	..	..	46
	Development Schemes	..	..	1,54
	Education	..	..	10,00
	Medical	..	..	13,00
	Agriculture	..	..	6,00
	Animal Husbandry	..	..	1,56
	Co-operation	..	..	63
	Miscellaneous Expenditure	..	..	2,50
	Community Development Projects	..	..	15,00
	TOTAL	..		50,69

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
19.—State of Pondicherry	Establishment of Medical College	14,00	9,72	21,75
	Scheme met from Handloom Cess Fund — Cooperative Scheme	1,35	1,09	92
	Employment Exchange	..	..	7
	State Social Welfare Board	..	..	37
	Expenditure on Welfare of Backward classes	1,50	95	1,26
	Community Development Projects and National Extension Service	6,30	4,44	7,82
	Development Schemes	60,73	50,70	52,80
	Construction of a new pier	18,52	13,50	13,38
	Industries and Supplies	2,00	30	1,00
	TOTAL	1,04,40	80,70	99,37
29.—Mint	Alipore Mint	..	..	4,35
33.—Planning Commission	Research Programme Committees' Schemes	11,18	7,82	10,00
37.—Forest	Development Scheme of Forest Research Institute	8,00	5,00	6,00
	Development of Forest Research	6,00	2,27	5,92
	Forest Research Centre	18,00	16,50	4,76
	International Forestry Conference in India	..	..	16
	Grants to State Governments for Forestry and Soil Conservation Schemes	..	1,36,00	1,65,00
	Research and Demonstration Centres	44,65	29,06	42,86
	TOTAL	76,65	1,88,83	2,24,70

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
38.—Agriculture	Grants to State Governments for—			
	(1) Agricultural Production	5,88,10	5,64,39	7,60,26
	(2) Fisheries	5,80	5,80	33,76
	Other Grants	15,98	15,60	13,15
	Fertilizer Demonstration Scheme	13,00	13,00	16,00
	Agricultural Information Production and Training	8,00	8,00	10,00
	Material and Equipment received under T. C. A. Programme	1,48	98	68
	Local costs of Experts assigned under the T. C. A. Programme	1,95	1,50	1,71
	Directorate of Extension Training	..	92	1,17
	Directorate of Plant Protection Quarantine and Storage	95	8,97	19,63
	Directorate of Economics and statistics	14	2,69	3,65
	Agricultural Marketing Schemes	8,33	6,37	9,96
	Central Mechanised Farm	14,31	19,69	16,03
	Project for Ground Water Exploration under T. C. A. Programme	76,85	85,36	23,31
	TOTAL	7,34,89	7,33,27	9,09,31
39.—Agricultural Research	Indian Agricultural Research Institutes	1,08	79	33,81
	Agricultural Experiments and Research	3,23	6,08	6,49
	Indian Council of Agricultural Research	19,67	5,77	13,54
	Grants to States for Agricultural Research	25,00	34,77	48,59
	Grants to Others	26,00	23,67	68,90
	Fisheries	24,61	13,66	38,78
	TOTAL	99,59	84,74	2,10,11

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
10.—Animal Husbandry	Grants to States for Veterinary Schemes	42,41	43,69	1,74,18
	Grants to Others	31,05	30,68	5,61
	Veterinary Education and Research	6,82	6,67	26,18
	Other Research Schemes	94	83	5,32
	Post Graduate College	..	.	1,72
	TOTAL	81,22	81,87	2,13,01
41.—Miscellaneous Departments and other Expenditure under the Ministry of Food and Agriculture	Zoological Park	3,06	2,38	3,67
	Termite Research	16	13	19
	Grants to States	..	90,50	1,98,79
	Sugar Institute Kanpur	..	..	3,15
	Other Grants	56,20	59,90	7,20
	Dairy Development	5,26	2,63	27,98
	Dairy Education	6,04	7,28	11,19
	TOTAL	70,72	1,62,82	2,52,17
43.—Medical Services	All India Institute of Medical Sciences	35,00	35,00	75,50
	Medical Colleges and Research Institutions	16,50	16,50	4,00
	Grants for Development of Unani, Homoeopathic and Nature cure System	16,00	36,00	30,00
	Expansion of the Lady Hardinge College	..	..	5,00
	Assistance to State Govts. for the Establishment of Cancer Research Institutes	2,38,03	2,15,42	3,04,61
	Medical Establishment	..	9	20
	Training centres for Integrated courses of Nursing and Public Health	64	64	2,00
	Grants for other Medical Purposes	..	..	25,80
	TOTAL	3,06,17	3,03,65	4,47,11

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
44.—Public Health	Grants to T. B. Cancer, Leprosy and other Institutions	20,00	20,00	15,00
	Grants to Indian Council of Medical Research	50,00	5,50	70,00
	Central Leprosy Teaching and Research Institute	5,00	4,80	5,00
	Family Planning	28,77	28,48	37,78
	Health Centres	26	68	59
	Grants to States for Public Health Purposes	3,90,35	3,95,42	2,83,34
	National Malaria Programme	3,65,24	4,70,97	6,93,96
	National Filaria Control Programme	50,00	50,00	80,00
	Public Health Engineering Organisation	3,10	10,03	3,91
	Grants to Union Mission T. B. Sanatorium, Madanapalle	91	91	91
	Training of Health Visitors to Staff Maternity and Child Welfare Programme	5,00	6,45	..
	Establishment of National T. B. Training Centre	..	..	1,00
	Training of Health Personnel under Community Development Programme—Auxiliary Nurses and Midwives	3,50	3,50	7,00
	Implementation of Programmes of W. H. O.	1,16	79	92
	Grants for Rural Water Supply and Sanitation Scheme	24,00	22,00	35,33
	Combined building for Central Food Laboratory, Serologist's Laboratory and *Cardiolipin* Unit	1,10	1,06	1,10
	Maintenance and Establishment of T. B. Isolation Ward and beds	10,75	10,06	15,25
	Trachoma Pilot Project	1,74	2,21	1,22
	Central Venereal diseases Organisation	40	34	44
	Goitre Control	1,25	39	75
	Subsidy for B. C. G. Vaccination Campaign	2,00	2,00	3,00
	Grants to U. N. I. C. E. for Health Programme	..	..	5,00
	Social and Moral Hygiene	20	20	20
	TOTAL	9,64,73	10,35,79	12,61,70

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
32.—Statistics	Grants-in-aid to State Govts. for statistical purposes	..	..	21,58
	Multipurpose Sample Survey	7,20	7,47	17,42
	Other Grants	..	..	15,00
	TOTAL	7,20	7,47	54,00
34—Delhi	Land Revenue	76	25	1,00
	Forest	1,66	1,56	2,00
	Irrigation Works	40	57	43
	General Administration	..	41	69
	Education	56,49	50,86	68,99
	Medical	..	4,91	8,65
	Public Health	4,12	4,12	6,03
	Agriculture	3,11	6,29	4,39
	Animal Husbandry	1,30	79	1,17
	Co-operation	1,98	1,59	1,93
	Industry and Supply	2,90	1,72	3,95
	Miscellaneous Departments	26	32	83
	Miscellaneous	4,85	20,58	64,54
	Community Development Projects and National Extension Service	5,51	4,68	5,29
	TOTAL	83,34	98,65	1,69,89
45—Himachal Pradesh	Land Revenue	1,78	1,74	1,74
	Forests	..	..	14,75
	Irrigation Works	8,05	6,15	5,76
	Education	25,25	8,83	30,81
	Medical	64	13	1,75
	Public Health	27,01	13,39	13,98
	Agriculture	10	5	25,80
	Animal Husba	..	..	5,62
	Co-operation	..	..	3,35
	Industries and Supply	31	50	4,00
	Miscellaneous Departments	24	28	2,11

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
	Civil Works	4,95	3,92	15,04
	Miscellaneous	12,06	13,69	26,18
	Community Development Projects and National Extension Service	35,19	36,47	47,19
	TOTAL	1,15,58	85,15	1,98,08
56.—Andaman and Nicobar Islands.	Educational Development Schemes	5,14	5,13	5,81
	Medical Schemes	..	67	87
	Development Schemes under Agriculture	4,63	4,40	5,57
	Development Schemes under Veterinary	1,80	1,43	2,20
	Public Health Schemes	61	58	83
	Extension and Development of Co-operation	29	23	70
	Industry and Supply	2,00	46	2,25
	Expenditure on Bus Services	..	..	1,33
	Colonization Scheme—Ex-gratia Grants	6,43	7,43	7,70
	TOTAL	20,90	20,33	27,26
57.—Manipur	Forest Development Schemes	66	68	68
	General Administration	40	35	1,10
	Development of Publicity	40,00	..	6,92
	Educational Development Schemes	..	..	20,53
	Medical Development Schemes	1,78	1,64	3,64
	Public Health Schemes	7,40	7,82	10,58
	Agricultural Development Schemes	1,22	1,21	2,73
	Veterinary Schemes	20	20	19
	Industrial Development Schemes	1,33	96	1,85
	Co-operation Schemes	..	60	95

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
	Provision of Statistical Organisation.	30	16	30
	Provision for Development Projects, Local Development Works and National Extension Service	6,71	9,19	10,19
	Road Transport Scheme	29,78	29,78	34,80
	TOTAL	89,78	52.59	94,46
58.—Tripura	Forest	3,12	3,06	3,14
	Education	..	..	22,90
	Medical	..	..	32
	Public Health	8,21	10,70	11,70
	Agriculture	..	..	10,18
	Co-operation	..	..	71
	Industry and Supply	8,18	11,08	12,20
	Vocational Training	6	6	7
	Statistical Department	..	..	8
	Electricity Schemes	..	..	30
	Grants for Social and Moral Hygiene	2,70	2,70	6,90
	Publicity	..	..	59
	Welfare of Scheduled Tribes	22,60	22,60	22,48
	Welfare of Backward classes	43	43	48
	Employment and Market Information	..	..	6
	Training of Craftsman	..	..	1,08
	Community Development Projects and National Extension Service	5,13	7,13	9,29
	TOTAL	50,43	57,76	1,02,48
59.—Laccadive, Minicoy Amindivi Islands.	Development Schemes for Education	..	1,59	1,51
	Medical	1,80	2,00	1,80
	Public Health	41	33	44
	Agriculture	..	..	2,26
	Animal Husbandry	..	..	11
	Co-operation	..	..	1,00
	Cottage Industries	..	..	86
	Road and WTransport Scheme	3,00	1,62	1,53
	Publicity Schemes	..	..	23
	Blasting of rocks and provision of buoys	..	..	2,00
	Contribution to Postal Department	..	..	
	TOTAL	5,21	5,54	11,79

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
60.—Miscellaneous Departments and Expenditure under the Ministry of Home Affairs.	Central Bureau of correctional Services	1,00	17	2,00
	Social and Moral Hygiene and After-care Services	75,00	49,00	74,90
	Social Welfare Centre	..	..	8,24
	Grants to States for the Welfare of Backward Classes	5,02,07	4,22,15	7,81,64
	TOTAL	5,78,07	4,71,32	8,66,78
61.—Ministry of Information and Broadcasting.	General Administration	..	..	1,16
62.—Broadcasting	Grants-in-aid to State Governments for Community Listening Schemes	15,00	15,00	15,00
	Song and Drama Division	6,17	6,17	6,23
	Allowance to Artists	..	..	1,15
	TOTAL	21,17	21,17	22,38
63.—Miscellaneous Departments and other expenditure under the Ministry of Information and Broadcasting.	Press Information Bureau	..	..	6,81
	Publications Division	..	..	8,50
	Mobile Units	20,92	18,06	19,49
	Directorate of Advertising and Visual Publicity	..	..	32,21
	Directorate of Field Publicity	..	28	1,32
	Grants to Children Film Society and Social Welfare Agencies	9,50	8,25	9,00
	Film Division	..	..	20,02
	Film Production Bureau	..	..	30
	Film Institute	..	..	1,55
	TOTAL	30,42	26,59	99,20
65.—Multipurpose River Schemes.	Investigation on Multipurpose River Schemes	23,59	78,77	1,20,95
	Flood Control	47,80	38,88	28,38
	Applied Research for development of power generating unit	60	55	25
	Central Water and Power Research Station	..	..	6,86
	TOTAL	71,99	1,18,20	1,56,44

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
66.—Miscellaneous Departments and other expenditure under the Ministry of Irrigation and Power.	Central Water and Power Commission (Power Wing)	..	1,68	7,61
	Flood Control Wing	5,52	2,50	2,34
	Chambal Control Board	94	1,17	1,28
	Fundamental and Basic Research	20,00	16,00	20,00
	Survey of Damodar Valley Corporation Area	..	..	2,00
	TOTAL	26,46	21,35	33,23
67.—Ministry of Labour and Employment.	General Administration	..	..	49
68.—Chief Inspector of Mines.	Barrier Survey in Coal Mines	..	..	1,64
92.—Miscellaneous Departments and other expenditure under the Ministry of Labour and Employment.	Labour Bureau	..	..	11,56
	Chief Adviser of Factories	..	..	34
	Workers Education	12,00	7,68	9,29
	Wage Boards	1,62	81	1,18
	Local Cost of Foreign Experts	27	70	22
	National Employment Service and Training	32,73	36,66	3,98,75
	National Council for training of Vocational Trades	25	24	29
	Development Schemes	15,15	5,01	21
	Assessment of Educational and Technical Training	..	21	14
	Survey of Graduate Employment	..	10	30
	Scheme for the training of Displaced persons from W. Pakistan	..	..	20,72
	Grants-in-aid to State Govts.	..	..	8,00
	Central Labour Institute	3,00	1,42	30
	National Productivity Centre	3,07	1,74	3,80
	Central Training Institute for Instructors	..	..	3,88
	Training of Craftsmen	..	..	2,63
	TOTAL	68,09	54,57	4,61,61

ANNEXURE VII

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
73.—Expenditure on displaced persons and Minorities.	Grants to States	..	..	3,33,57
	Other Grants	..	..	7,75
	Expenditure on Miscellaneous Schemes	..	..	39,57
	TOTAL	..	..	3,80,89
74.—Ministry of Scientific Research and Cultural Affairs.	General Administration	..	..	2,31
75.—Archaeology	Headquarters Office	12,22	10,00	7,60
	Works	..	..	2,40
	TOTAL	12,22	10,00	10,00
76.—Survey of India	Map Publication Offices	..	..	12
	Survey Parties	..	..	19,87
	TOTAL	..	..	19,99
77.—Botanical Survey	Botanical Survey	..	..	7,74
78.—Zoological Survey	Zoological Survey	..	..	5,00
79.—Scientific Research and Cultural Affairs.	Anthropological Survey	..	..	3,00
	Council of Scientific and Industrial Research	30,65	52,85	38,42
	Grants to State Governments	63,44	65,15	2,08,54
	Grants to Scientific Societies and Institutes	27,79	27,79	31,66
	Grants for Technical Education	2,39,56	2,36,52	1,97,84
	Grants to the Council of Scientific and Industrial Research	2,50,00	2,90,00	3,45,00
	Grants to States for Museums	8,16	..	6,00
	Grants to other Museums	..	..	9,47
	Geophysics Research Wing	5,50	1,91	4,01
	Delhi Polytechnic	..	3,25	3,66
	Studies and Training abroad	4,83	2,77	3,75
	Studies in Technical and other Institutes in India	2,35	2,64	2,84
	Other Grants for Education	7,57	6,93	9,85
	Assistance to Regional Languages	2,82	2,50	7,00
	Indian School of Mines	..	..	6,22
	Indian Institutes of Technology	85,32	85,03	2,83,50
	Grants for Scientific Research	3,33	3,33	2,20
	Compilation of National Atlas of India	4,50	5,50	7,84
	TOTAL	7,35,82	7,86,17	11,70,80

(In thousands of Rupees).

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
80.—Miscellaneous Departments and Expenditure under the Ministry of Scientific Research and Cultural Affairs.	Central Reference Library	70	67	1,65
	History of Freedom Movement	47	40	65
	Expenditure on Buildings of Indian Council for Cultural Relations	3,85	2,40	4,58
	National Library	..	..	9,50
		5,02	3,47	10,38
82.—Geological Survey	Geological Survey	..	..	1,54,57
83.—Exploration of oil and Natural Gas	Directorate of oil and Natural Gas	2,11,04	1,72,79	3,38,26
84.—Miscellaneous Deptts. and other expenditure under the Ministry of Steel, Mines and Fuel.	Iron and Steel Control Organisation—Works Expenditure	8	6	23
87.—Mercantile Marine	Administrative Expenses for Shipping Development Fund Committee	..	..	1,00
	Grants for Shipping Development Fund	..	..	5,00
	TOTAL	..	..	6,00
88.—Light-houses and Light-ships.	Improvement of aids to navigation along the coast of India	90,01	70,00	80,00
91.—Aviation	Indian Meteorological Department	..	..	15
93.—Communications (including National Highways).	Roads other than National Highways	15	30	8,00
	Tools and Plants	10,00	6,00	13,00
	TOTAL	10,15	6,30	21,00

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
94.—Miscellaneous Departments and Expenditure under the Ministry of Transport and Communications.	Development of Inland Water Transport	10,00	..	..
	Development of Pandu and other Inland Ports	5,00	2,00	4,00
	Subsidy to Ship Building Industry	90,00	88,73	1,05,06
	TOTAL	1,05,00	90,73	1,09,06
	TOTAL—REVENUE EXPENDITURE	97,17,27	97,29,72	1,50,25,61
	(B).—CAPITAL BUDGET			
107.—Capital Outlay of the Ministry of Commerce and Industry.	Bayer's Intermediate Project	..	..	6,00
	Drugs and Pharmaceutical Project	..	..	45,00
	Optical and Ophthalmic Glass Project	..	..	2,00
	Purchase of shares of Hindustan Antibiotics (P), Ltd.	1,00	..	10,00
	Purchase of shares in Nangal Fertilizers and Chemicals (P) Ltd.	4,04,96	4,75,00	6,00,00
	Purchase of shares of Heavy Electricals (P) Ltd.	1,00,00	5,00,00	7,00,00
	Purchase of shares of Handicrafts Corporation	10,00	10,00	10,00
	Purchase of shares of Hindustan Heavy Engineering Corporation	75,20	60,00	1,35,00
	Purchase of shares of Hindustan Salt (P) Ltd.	..	14,20	25,00
	Capital Outlay on Salt Works	20,00	8,50	12,04
	Institute for Small Scale Industries	9,80	13,30	19,00
	National Productivity Council	10,00	1,19	5,00
	TOTAL	6,30,96	10,82,19	15,69,04

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
109.—Capital Outlay of the Ministry of Community Development and Co-operation.	Contribution to the National Cooperative Development and Warehousing Board for share capital of Central Warehousing Corporation	..	..	40,00
	Contribution to the share capital of cooperative societies in the Union territories	..	..	8,60
	Contribution to National Co-operative Development and Warehousing Board	..	..	2,93,00
	TOTAL	..	..	3,41,60
111.—Capital Outlay of the Ministry of Education.	National Fundamental Education Centre	..	..	1,19
	National Institute of Basic Education	..	..	92
	Assistance to Home Service Education and Research	..	..	4,05
	Establishment of National Institute of Audio-Visual Education	..	..	5,70
	Secondary Education Institutions	1,60	..	49,76
	Rural Institue	66	49	1,25
	Lucknow University	..	..	1,67
	National Fundamental Education Centre	..	..	12
	National Institute of Basic Education	..	..	48
	Assistance to Home Science Education and Research	..	..	38
	Establishment of a National Institute of Audio-Visual Education	..	..	30
	Secondary Education Institutions	..	..	28
	Rural Institutes	..	..	11
	TOTAL	2,26	49	66,21

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
112.—Capital Outlayon India Security Press .	Lands	..	3,60	30
	Buildings	..	..	8,10
	TOTAL . .	..	3,60	8,40
113.—Capital Outlay on Currency and Coinage.	Lands	6,00	3,60	20
	Buildings	..	..	5,40
	TOTAL . .	6,00	3,60	5,60
114.—Capital Outlay on Mints.	Lands	25,00	27,00	22,05
117.—Other Capital Outlay of the Ministry of Finance.	Grants to State Governments for Local Development Works.	4,00,00	3,95,10	5,00,00
	Railway Rehabilitation . .	8,00,00	10,85,00	2,00,00
	TOTAL. . .	12,00,00	14,80,10	7,00,00
118.—Loans and Advances by the Central Government.	Advances to State Governments for—			
	Industrial Estates . .	1,50,00	1,50,00	2,72,50
	Development of Handloom Industries	1,50,00	1,50,00	1,15,00
	Conversion of Handloom into Powerloom . . .	1,50,00	50,00	80,00
	Development of Small Scale Industries	3,19,00	3,19,00	3,40,00
	Development of Coir Industries	10,00	10,00	13,00
	Development of Silk Industry .	30,00	16,55	11,50
	Industrial Schemes . .	2,00,00	1,50,00	1,70,00
	Development of Handicrafts .	20,00	20,00	17,00
	Rehabilitation Schemes . .	..	45,00	45,00
	Adoption of Metric system of Weights and Measures .	1,00	17,00	25,00
	Co-operation Schemes . .	2,50,00	2,50,00	43,00
	Community Development Projects and National Exttension Service Schemes . .	9,22,00	9,19,22	12,75,00
	Construction of hostels for Educational Institutes under Educational Development Schemes	..	35,00	34,00

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
118.—Loans and Advances by the Central Government—*Contd.*	State Finance Corporations .	20,00	..	20,00
	Miscellaneous Development Purposes	32,63,00	61,00,00	29,33,00
	Equipment received under the T.C.A. Programme for Miscellaneous Development purposes and Irrigation Projects.	..	51,10	2,64
	Unforeseen Natural Calamities	1,00,00	4,00,00	1,00,00
	Agricultural Production .	28,99,30	34,77,38	41,40,00
	Animal Husbandry Dairying and Fisheries	1,25,88	1,27,78	2,00,00
	Forest and Soil Conservation Schemes	3,20,00	3,20,00	3,55,00
	Regulated Markets . .	9,50	9,50	14,00
	Urban Water Supply and Drainage Schemes	6,25,00	6,25,00	8,00,00
	State Corporations . . .	..	1,14,00	2,50,00
	Equipments received under T.C.A. and Colombo Plan .	2,28,00	1,79,72	6,13,00
	Miscellaneous Irrigation Purposes	67,83,64	78,02,00	75,68,02
	Permanent Improvement in Scarcity affected Areas . .	3,37,00	2,21,90	49,00
	Flood Control . . .	9,00,00	10,50,00	6,40,00
	Expansion of Power Facilities for increasing Employment .	2,75,00	1,61,37	96,44
	Rehabilitation Purposes . .	8,34,00	7,99,60	10,36,89
	Construction of Student's hostels to State Governments Engineering and Technological Institutions . . .	40,00	40,00	75,00
	Government of Mysore for the Development of Hutti Gold Mines	2,00	17,00	18,00
	Minor Ports Development Schemes	50,00	25,00	35,00

(In thousands of Rupee)

Demands	Particulars	Budget, 1958-59	Revised 1958-59	Budget, 1959-60
118.—Loans and Advances by the Central Government—*Contd.*	Industrial Housing Schemes] .	2,50,00	2,50,00	3,00,00
	Rural Housing Schemes . .	65,00	40,00	2,00,00
	Plantation Labour Housing Schemes	19,50	15,70	20,00
	Low and Middle Income Group Housing Schemes .	5,80,00	5,80,00	7,00,00
	Slum Clearance	1,45,00	1,45,00	2,39,00
	Other Loans and Advances—			
	Loans to Port Trusts :			
	Development Schemes of Major Ports	5,00,00	2,81,00	2,10,00
	CORPORATIONS FOR WATER SUPPLUY AND DRAINAGE SCHEMES	50,00	..	.
	DELHI MUNICIPAL CORPORATION FOR WATER SUPPLY AND DISPOSAL COMMITTEE . .	1,50,00	2,00,00	1,50,00
	LOCAL BODIES IN UNION TERRITORIES FOR WATER SUPPLY SCHEMES . . .	25,00	25,00	50,00
	NEW DELHI MUNICIPAL COMMITTEE . . .	65,00	1,15,00	27,00
	DELHI DEVELOPMENT AUTHORITY . . .	1,71,00	1,14,06	1,47,00
	Agriculturists in Pondicherry	1,95	65	83
	Grow More Food Purposes .	35,00	40,00	25,00
	Horticultuial Schemes in Union Territories	3,50	3,00	4,00
	Loans to Agriculturists in Andamans	1,09	1,09	1,53

(In thousands of Rupees)

Demand	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
118.—Loans and Advances by the Central Government—*Contd.*	C. D. Schemes in Delhi	50	1,50	1,97
	C. D. Schemes in Andamans and Nicobar Islands	..	18	54
	C. D. Schemes in Pondicherry	60	1,40	1,62
	Co-operative Farming Societies in Union Territories	..	..	50
	Construction of Hostels for Educational Institutions under the Educational Development Schemes	40,00	25,00	6,00
	Universities and Constituent Colleges of Delhi University	35,00	15,00	30,00
	Co-operative Societies in Pondicherry for Industrial Purposes	17,71	45	1,23
	Fisheries in Pondicherry	20	5	20
	STATE AID TO INDUSTRIES IN PONDICHERRY	2,00	..	1,00
	Rehabilitation Finance Administration	25,00	..	10,00
	Industrial Finance Corporation	3,00,00	3,00 00	7,25,00
	VOLUNTARY ORGANISATIONS FOR CONSTRUCTION ACTIVITIES	..	..	10,00
	REGULATED MARKETS	..	50	1,00
	CONSTRUCTION OF GODOWNS TO COOPERATIVE SOCIETIES IN UNION TERRITORIES	..	5,00	..
	Poultry and Piggery Schemes in Delhi	11	11	..

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
118.—Loans and Advances by the Central Government—*Contd.*	Establishment of Fruit Preservation Factory	2,00	60	1,00
	Scheme of Increased Milk Supply in Delhi	50	..	..
	Fishermen Co-operative Society in Andamans	3	3	3
	Advances for Colonisation Schemes in Andamans	15,62	15,62	8,65
	Welfare of Harijans and Backward Classes	..	..	1,00
	Delhi State Electricity Undertaking	30,00	30,00	60,00
	PUBLIC COOPERATION	2,84	..	2,50
	NATIONAL PROJECT CONSTRUCTION CORPORATION	..	..	10,00
	Construction of Hostels to Institutions under the Scheme of Development of Scientific and Technical Research	35,00	66,30	75,00
	INSTITUTIONS AND PRIVATE BODIES FOR CONSTRUCTION OF HOSTELS UNDER THE PRACTICAL TRAINING STIPENDS SCHEME	..	..	2,00
	Delhi Road Transport Authority	25,00	25,00	40,00
	Indian Airlines Corporation	48,00	..	..
	Posts and Telegraphs Cooperative Societies	7,50	3,06	7,50
	Industrial Housing Scheme	40,00	40,00	50,00
	Plantation Housing Scheme	50	50	50
	Village Housing Scheme	5,00	3,00	10,00
	Low Income Group Housing Schemes	45,00	45,00	45,00
	Slum clearance in Union Territories	..	..	2,50
	Advances to Salt Manufacturers	..	1,00	50
	DEVELOPMENT OF HANDLOOM INDUSTRY	12,60	21,40	1,40
	Conversion of Handlooms into Powerlooms	8,00	1,00	5,00

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
118.—Loans and Advances by the Central Government—*Contd.*	Hindustan Insecticides, Ltd.	32,46	20,46	2,21
	NATIONAL INSTRUMENTS, LTD	2,00	..	25,94
	Development of Handicrafts	2,00	7,00	..
	DEVELOPMENT OF VILLAGE INDUSTRIES	2,02,00	1,45,00	1,45,00
	Development of Traditional Khadi Industries.	85,00	1,87,50	50,00
	Development of Ambar Charkha	2,75,00	3,79,44	5,38,00
	DEVELOPMENT OF SMALL SCALE INDUSTRIES	14,39	10,39	16,67
	NATIONAL SMALL INDUSTRIES CORPORATION	1,20,00	1,20,00	1,20,00
	NATIONAL INDUSTRIAL DEVELOPMENT CORPORATION	3,10,00	2,00,00	2,90.00
	SINDRI FERTILIZER AND CHEMICALS LTD.	1,38,00	1,38,00	1.90,00
	HINDUSTAN ANTIBIOTICS (P), Ltd.	..	..	20,00
	CYCLONE ADVANCES TO SALT LICENCE	..	3,00	7,00
	REHABILITATION SCHEMES	..	9,00	8,00
	National Coal Development Corporation	5,00,00	5,00,00	10,00,00
	Indian Iron and Steel Company for accrual of Interest	20,10	9,94	..
	Tata Iron and Steel Company and Indian Iron and Steel Company	..	..	2,00,00
	Singareni Collieries	..	60,00	40,00
	Hindustan Steel (P) Ltd.	..	52,60,00	1,22,00,00
	Displaced Persons	18,00	9,70	21,60
	Displaced Persons in Union Territories	18,00	13,10	10,00
	REHABILITATION INDUSTRIES CORPORATION	..	..	2,00,00
	DISPLACED PERSONS IN DANDAKARANYA	..	..	40,00
	CULTIVATORS FOR REHABILITATION PURPOSES	..	..	1,16,00
	Development of Small Scale Industries in Manipur and Tripura	3,61	3,61	1,35

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
118.—Loans and Advances by the Central Government—*concld.*	Development of Handloom Industries in Manipur and Tripura	2,40	2,40	2,40
	C. P. Scheme in Manipur and Tripura	2,87	4,69	8,37
	C. P. Schemes in Naga Hills	..	50	50
	Improvements of Markets in Tripura	..	..	46
	Private Shipping Companies for purchase of ships for Coastal Trade	20,00	94,00	57 96
	JOINT STEAMER COMPANIES, CALCUTTA	..	30,00	..
	CONSTRUCTION OF SAILING VESSELS OF MODERN DESIGN	..	..	2,00
	Private Shipping Companies for purchase of ships for overseas Trade	5,66,00	5,44,50	4,25,00
	Sailing Vessel Industry	1,00	1,00	10,00
	Shipping Development Fund	1,00,00	1,00,00	5,05,91
	Port Development Fund	..	61,50	
	SOCIAL EDUCATION ORGANISER TRAINING CENTRE, GARGOTI	..	60	..
	BOMBAY DOCK LABOUR BOARD	..	5,00	..
	Indian Telephone Industries	12,00	12,00	9,00
	Development of Small Scale Industries in Himachal Pradesh	2,00	2,00	2,00
	TOTAL	2,42,23,40	3,43,22,88	4,08,38,34
121.—Other Capital Outlay of the Ministry of Food and Agriculture.	Expansion of the Indian Agricultural Research Institute	1,12	1,39	7
	Development of Marine Fisheries	96	..	6,90
	Grow More Food Schemes	20,00	20,00	20,00

(In thousands of Rupees)

Demands	Particulars	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
121.—Other Capital Outlay of the Ministry of Food and Agriculture —*Concld.*	Construction of Central Control Laboratory	9,16	26	6,75
	Contribution to the National Cooperative Development and Ware Housng Board	40,00	..	..
	Delhi MilkSupplyihg Schem,	94,00	86,10	77,30
	Contribution to the Share Capital of Cooperative Societies in Union Territories	15,91	9,73	..
	Construction of Food Storage Godowns	1,50,00	1,14,51	1,50,00
	Training Scheme for Tractor Operators	4,45	2,45	4,00
	Central Potato Research Institute	..	..	2,04
	Development of National Dairy Research Institute	1,00	1,25	3,00
	Fisheries Development	30	30	50
	Central Mechanised Farm	13,00	13,00	21,00
	Sugar and Sugarcane Institutes	2,00	2,55	8,25
	TOTAL	3,52,90	2,51,54	2,98,91
122.—Capital Outlay of the Ministry of Health.	National Water Supply and Sanitation Programmes	2,00,00	2,00,00	3,00,00
124.—Capital Outlay on Broadcasting.	Development of Broadcasting	1,15,00	80,00	1,05,00
125.—Capital Outlay on Multipurpose River Schemes.	Land and Buildings for the Central Water and Power Research Station, Poona	18,00	4,00	18,00
	Damodar Valley Corporation	4,04,00	3,38,00	3,04,98
	TOTAL	4,22,00	3,42,00	3,22,98
126.—Other Capital Outlay of the Ministry of Irrigation and Power.	Construction of Irrigation, Navigation, Embankment and Drainage Works	3,91	13,49	9,01
	Electricity Schemes	..	1,50	84
	TOTAL	13,91	14,99	9,85

(In thousands of Rupees)

Demands	Particulars	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
128.—Capital Outlay of the Ministry of Rehabilitation.	Rehabilitation Industries Corporation	..	..	1,00,00
	Dandakaranya Development Scheme	3,00,00	1,25,00	6,00,00
	TOTAL	3,00,00	1,25,00	7,00,00
129.—Capital Outlay of the Ministry of Scientific Research and Cultural Affairs.	Grants-in-aid to the Council of Scientific and Industrial Research	1,75,00	1,75,00	2,00,00
	Indian School of Mines	5,00	2,97	5,00
	Equipment for Geophysical Research Wing	..	..	3,00
	TOTAL	1,80,00	1,77,97	2,08,00
130.—Capital Outlay of the Ministry of Steel, Mines and Fuel.	Establishment of an Alloy and Steel Plant	..	..	10,00
	Purchase of shares in Hindustan Machine Tools (Private) Ltd.	..	95,00	54,78
	Investment in Share Capital of Oil India (Private) Ltd.	10,00	4,00,00	2,00,00
	Purchase of Shares of National Coal Development Corporation (Private) Ltd.	50,00	50,00	50,00
	Purchase of Shares Bolani Ores (Private), Ltd.	40,40	20,20	5,05
	Purchase of Shares of Mysore Iron and Steel Corporation	1,00	..	1,00
	Purchase of shares of Indian Refineries (Private) Ltd.	..	1,00,00	1,70,00
	Purchase of Shares in Singareni Collieries Company, Ltd.	30,00	..	1,20,00
	Purchase of shares of Neyveli Lignite Corporation, Ltd.	699,99	6,48,16	13,00,00
	Purchase of Shares of National Mineral Development Corporation	..	5,00	33,81
	Oil Exploration Scheme	2,16,54	1,96,47	3,26,93
	Expenditure on Coal Production Programme	62,40	46,83	70,00
	Acquisition of Coal Bearing Areas	50,00	50,00	50,00
	Capital Equipment for Bhilai Project	..	7	8
	TOTAL	11,60,33	16,11,73	23,91,65

(In thousands of Rupees)

Demands	Particulars	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
131.—Capital Outlay on Posts and Telegraphs (not met from Revenue).	Posts and Telegraphs Development Schemes . . .	10,82,00	11,16,56	15,44,49
132.—Capital Outlay on Civil Aviation	Aviation Works and Equipment	3,15,45	3,15,45	4,28,39
	Meteorological Equipment .	13,22	10,36	9,88
	TOTAL .	3,28,67	3,25,81	4,38,27
133.—Capital Outlay on Ports.	Development of the Kandla Port	2,45,00	2,00,00	1,85,00
	Development of Vizagapatam Port	95,00	70,00	85,00
	Development of Township of Gandhidham . . .	60,00	20,00	28,50
	Development of Minor Ports in Andaman and Nicobar Islands	5,00	5,00	5,00
	TOTAL .	4,05,00	2,95,00	3,03,50
134.—Capital Outlay on Roads.	National Highways and other Roads	12,50,00	13,50,00	13,15,00
	Grants to State Govts. for Construction of State Roads of Economic or Inter State Importance . .	2,50,00	3,00,00	3,35,00
	TOTAL .	15,00,00	16,50,00	16,50,00
135.— Other Capital Outlay of the Ministry of Transport and Communications.	Capital expenditure on Bus Services	15,00	15,00	16,500
	Dredger-*cum*-survey launch pool for Minor Ports in India	15,00	..	30,00
	Investment in Eastern Shipping Corporation	52,00	90,00	1,95,00
	Investment in Western Shipping Corporation (Private) Ltd. .	2,50,00	2,15,00	1,60,00
	Purchase of aircraft etc. by Indian Airlines Corporation	6,56,80	6,62,82	3,68,16
	Expansion of the Overseas Communication Serivce Stations	30,00	27,93	40,00
	Purchase of Shares of Hndustan Shipyard Ltd. . . .	52,06	40,00	26,54
	Establishment of Second Shipyard .	2,00	20	5
	TOTAL	10,72,86	10,50,95	8,36,25
137.—Capital Outlay on Buildings.	Capital Outlay on Buildings—Original Works—Buildings	2,37,61	3,37,61	4,92,95

(In thousands of Rupees)

Demands	Particulars	Budget Estimate, 1958-59	Revised Estimate, 1958-59	Budget Estimate, 1959-60
138.—Other Capital Outlay of the Ministry of Works, Housing and Supply.	Grants to States for Subsidised Industrial Housing Scheme .	2,00,00	2,00,00	3,00,00
	Grants for slum clearance .	73,00	73,00	1,93,00
	Grants to States for Rural Housing Cells . . .	5,00	3,00	5,00
	Grants to others for subsidised Industrial Housing Schemes	25,00	25,00	50,00
	TOTAL .	3,03,00	3,01,00	5,48,00
139.—Capital Outlay of the Department of Atomic Energy.	Thorium Uranium Plant .	2,30	2,30	5,00
	Pilot Plant at Ghatsila .	2,20	1,50	1,00
	Acquisition of Land . .	10,00	30,00	71,00
	Uranium Metal Processing Plant	16,00	13,00	2,00
	Buildings and Roads .	1,02,00	70,00	1,57,00
	Canada-India Reactors . .	1,77,00	1,77,00	1,55,00
	Apsara Reactor . . .	50	50	1,00
	Zerlina Reactors . . .	50,00	11,00	21,00
	New Projects . . .	50,00	32,00	76,00
	Nuclear Power Station . .	..	2,00	48,00
	TOTAL .	4,10,00	3,39,30	5,37,00
	TOTAL—CAPITAL .	3,41,70,90	4,51,39,32	5,42,38,09
	GRAND TOTAL .	4,38,88,17	5,48,69,04	6,92,63,70

ANNEXURE VIII

Statement showing resources transferred from Centre to States

(Figures in lakhs of Rupees)

Sl. No.	Purpose	1st 5 Year Plan Period	IInd 5 Year Plan Period			
		Actuals	Actuals, 1956-57	Actuals, 1957-58	Revised, 1958-59	Budget 1959-60
	PART I.—TAXES AND DUTIES					
	(i) Share of Divisible Taxes and Duties.					
1	Income Tax	2,78,24	58,75	73,43	75,80	78,62
2	Union Excise Duties	46,06	18,22	28,71	33,46	34,53
	(ii) Taxes and Duties accruing wholly to States.					
1	Additional Duties in lieu of Sales Taxes	..	..	11,51	39,50	40,25
2	Taxes on Railway Passenger Fares	..	..	4,81	10,89	10,89
3	Estate Duty	2,44	2,41	2,40	2,38	2,71
	TOTAL	3,26,74	79,38	1,20,86	1,62,06	1,67,00
	PART II.—GRANTS MET FROM REVENUE					
1	Art. 273 of the Constitution	14,45	3,15	3,15	3,15	3,15
2	Substantive Provision of Art. 275(1)	27,03	7,74	36,25	36,25	36,25
3	Provisos to Art. 275(1)	13,45	5,11	2,97	6,30	8,35
4	Art. 278	49,47	..		..	..
5	Grants to meet revenue deficit of Union Territories (former) Part C States	19,79	4,37		..	..
6	Grants-in-aid under Sec. 74 of the S. R. Act	..	3,54	1,35	1,15	1,09
7	Welfare of scheduled tribes and development of scheduled areas in Union territories	33	10	..	..	..
8	Grants to Jammu and Kashmir—					
	(i) Food Subsidy		1,25	1,25	1,25	75
	(ii) For Dearness Allowance Schemes	6,42	50	..	..	..
	(iii) Other Grants		2,50	..	..	..
9	Grants for Animal Husbandry	12	46	43	1,76	1,74
10	Agricultural Production	15,57	3,21	5,87	6,58	7,60
11	Fisheries				6	34
12	Schemes for Agricultural Research	..	..	..	35	46

(Figures in lakhs of Rupees)

Sl. No.	Purpose	1st 5 Year Plan Period	IInd 5 Year Plan Period			
		Actuals	Actuals, 1956-57	Actuals, 1957-58	Revised, 1958-59	Budget, 1959-60
13	Forestry and Social Conservation Scheme	30	34	82	1,36	1,65
	Community Development					
14	Community Development Scheme	9,80	3,07	3,13	9,93	14,74
15	National Extension Service	5,09	5,17	5,59	1,27	2,20
	Education Schemes					
16	Education Schemes	13,27	5	3,66	11,28	16,18
17	Scientific and Technical Edcation	2,12	1	51	71	2,15
18	Reorganisation and Development of Museums	..	..	..	..	6
	Medical Schemes					
19	Training of Auxiliary Health Workers	..	..	..	2	4
20	Establishment of New Dental Colleges and Expansion of Existing ones	..	..	6	15	20
21	Establishment of T. B. Demonstration and Training Centres	..	..	5	4	..
22	Training Centres for Nursing and Public Health	..	2	5	2	3
23	Social and Preventive Medicine in Certain Medical Colleges	..	..	2	8	7
24	Paediatric Centres in the various States	..	..	2	7	6
25	Upgrading of certain Departments in Medical Institutions	..	3	4	6	6
26	Maintenance of Mental Patients evacuated from Pakistan	..	..	..	1	1
27	Training of Refractionists and Opticians	..	..	2	2	3
28	Training of Laboratory Assistants	..	..	..	4	3
29	Establishment of a neuro-surgery unit at the KEM Hospital, Bombay	..	..	..	..	80
30	Establishments of Cancer Research Institute, etc.	..	..	..	..	8
31	After-care and Rehabilitation Centre for T. B. Patients	..	..	..	5	10
32	Establishment of Dental Clinics in District Hospitals	..	..	..	5	5
33	Medical Colleges	..	23	76	1,40	1,40
34	Diet Kitchen Teaching Hospitals	..	..	..	1	1

(Figures in lakhs of Rupees)

Sl. No.	Purpose	Ist 5 Year Plan Period	IInd 5 Year Plan Period			
		Actuals	Actuals, 1956-57	Actuals, 1957-58	Revised, 1958-59	Budget, 1959-60
35	Tuberculosis Clinics	..	..	11	15	10
36	Establishment and maintenance of Health Units	1	..	..	..	..
	Public Health Schemes					
37	B. C. G. Vaccination Campaign	..	..	..	2	3
38	Establishment of Maternity and Child Welfare Services	..	..	2	..	..
39	Maintenance of Health Centres in N.E.S. Blocks	..	..	59	3,00	1,50
40	Scheme for Control of Leprosy	..	3	5	29	35
41	Relief to destitute Displaced Persons	..	7	7	9	9
42	Control of Venereal Diseases	..	..	..	8	10
43	Training of Dais under various M.C.H. Schemes	..	..	..	8	8
44	Development of Public Health Laboratory Services	..	..	..	10	10
45	Training for Public Health Engineering	..	..	..	2	1
46	Training of Health personnel for Community Projects	..	..	..	12	12
47	National Malaria Eradication*	6,67	3,15	3,79	5,44	7,40
48	National Filaria Control*	13	36	87	..	..
49	Family Planning	15	..	..	24	42
50	Establishment of Health Bureau	..	..	..	..	5
51	Training of Health Visitors.	..	..	..	..	6
	Welfare of Backward Classes					
52	Welfare of Backward Classes and Scheduled Tribes and Development of Scheduled Areas	8,42	2,13	2,83	4,22	7,82
	Others					
53	Construction of certain Strategic Roads, Bridges etc. in Assam	..	77	..	..	..
54	Assistance to Assam towards expenditure on Police Force borrowed from the States for maintenance of Law & Order	..	..	40	..	18
	Statistical Schemes					
55	Grants-in-aid to State Governments for the improvement of Statistics	..	30	42	24	35

* This includes value of materials and equipments received under T.C.A. Programme.

(Figures in lakhs of Rupees)

Sl. No.	Purpose	1st 5 Year Plan Period	IInd 5 Year Plan Period			
		Actuals	Actuals, 1956-57	Actuals, 1957-58	Revised, 1958-59	Budget, 1959-60
	Information and Broadcasting Schemes					
56	Grants-in-aid to State Governments for Community Listening Scheme	3	20	12	15	15
	Resettlement and Employment Schemes					
57	National Employment Service and Training	..	..	1,54	2,85	4,61
	Small Industries Development Schemes					
58	Development of Handloom Industries	1,60	1,98	2,07	3,00	3,00
59	Development of Handicrafts	16	..	37	40	43
60	Small Scale Industries	..	..	..	..	1,30
61	Silk Industry	..	..	..	..	49
62	Coir Industry	..	..	..	..	7
63	Industrial Scheme for Rehabilitation of Displaced Persons	..	..	..	..	
	Relief and Rehabilitation Schemes					
64	Rehabilitation of Displaced Persons	21,38	3,32	3,66	4,07	3,99
65	Relief of Displaced Persons	14,84	9,31	8,44	7,25	3,63
	Other Miscellaneous Grants					
66	Natural Calamities	17,41	5,24	3,00	5,00	5,00
67	Raising the emoluments of low-paid employees	..	..	6,52	12,00	14,45
68	Small Saving schemes	..	..	..	13	18
69	Development of Tourist Centre	..	1	6	15	21
70	Economic Rehabilitation of Tribal Areas in Assam	..	..	..	25	30
71	Metric System	..	..	..	17	25
	TOTAL— GRANTS MET FROM REVENUE	2,48,01	67,92	1,00,94	1,32,92	1,56,54
	PART III.— GRANTS MET FROM CAPITAL					
1	Local Development Works	12,66	4,28	3,84	3,95	5,00
	Housing Schemes					
2	Industrial Housing and Slum clearance	4,65	1,53	1,41	2,73	4,91
3	Rural Housing Cells set up for implementation of Village Housing Project Scheme	..	..	..	3	5
4	Grant to Punjab Government for construction of Capital at Chandigarh	..	1,00	..	..	..

(Figures in lakhs of Rupees)

Sl. No.	Purpose	1st 5 Year Plan Period	IInd 5 Year Plan Period			
		Actuals	Actuals, 1956-57	Actuals, 1957-58	Revised, 1958-59	Budget, 1959 60
	Transport Schemes					
5	State Roads of Economic or Inter-State Importance	3,93	2,93	2,84	3,00	3,35
6	Grant from Central Road Fund	15,93	4,99	3,30	5,17	5,62
	Other Grants					
7	National Water Supply Programme	2,52	87	1,68	2,00	3,00
8	Grants under the Gadgil Committees award	..	75	40	40	17
	TOTAL—GRANTS MET FROM CAPITAL	39,69	16,35	13,47	17,28	22,10
	PART IV—LOANS					
1	Irrigation and Multipurpose River Schemes	2,52,48	46,34	54,63	78,02	75,68
2	Miscellaneous Development Purposes	1,71,36	35,77	49,99	61,00	29,33
3	Agricultural Production, Animal Husbandry, Dairying and Fisheries, Forest and Soil Conservation Schemes	1,09,96	28,53	36,21	39,25	46,95
4	Rehabilitation Purposes	47,96	11,27	5,53	8,00	10,37
5	Industrial Housing and Other Housing Schemes	19,94	7,85	9,34	10,31	14,59
6	Community Development Projects and National Extension Service Schemes	13,83	6,07	6,40	9,19	12,75
7	Natural calamities	2,10	1,41	8,80	4,00	1,00
8	Permanent Improvement in scarcity affected areas	27,14	6,53	3,18	2,22	49
9	Development of Handloom and Small Scale Industries and conversion of Handloom into Powerloom	..	6,85	6,81	5,19	5,35
10	Flood Control Schemes	1,53,76	12,93	13,35	10,50	6,40
11	Urban Water Supply Scheme		2,45	6,62	6,25	8,00
12	Sharing of Small Savings		19,27	40,33	48,13	55,00
13	Other Purposes	..	24,26	42,41	44,45	46,78
	TOTAL—LOANS	7,98,53	2,09,53	2,83,60	3,26,51	3,12,69
	GRAND TOTAL	14,12,97	3,73,18	5,18,87	6,38,77	6,58,33

The Actuals shown above are provisional.

ANNEXURE IX

Analysis of receipts and disbursements in India and abroad.

The statement below gives a broad analysis of the receipts and disbursements of the Central Government showing separately the transactions in India and outside the country. These do not include expenditure financed by direct remittances from India to suppliers abroad through commercial banking channels, the amount of which is, however, very small.

RECEIPTS

(Figures in lakhs of Rupees)

	Budget, 1958-59			Revised, 1958-59			Budget, 1959-60		
	India	Abroad	Total	India	Abroad	Total	India	Abroad	TOTAL
I. REVENUE RECEIPTS									
(*a*) Civil . .	764,36	1,29	765,65	720,30	2,49	722,79	773,12	2,79	775,91
(*b*) Defence . .	13,65	..	13,65	14,57	1,11	15,68	20,28	1	20,29
(*c*) P. & T. . .	5,48	..	5,48	8,55	..	8,55	7,81	..	781
TOTAL—REVENUE	783,49	1,29	784,78	743,42	3,60	747,02	801,21	2,80	804,01
II. LOANS									
(*a*) Permanent Debt :									
(*i*) From I.B.R.D. .	..	13,78	13,78	..	64,14	64,14	..	29,36	29,36
(*ii*) For Steel Plants .	..	65,00	65,00	..	91,04	91,04	..	30,60	30,60
(*iii*) Other Loans .	352,63	..	352,63	260,90*	25,47	286,37	344,25	121,76	466,01
(*b*) Floating Debt (Net)	201,57	..	201,57	276,63*	..	276,63	328,81	..	328,81
TOTAL—LOANS .	554,20	78,78	632,98	537,53	180,65	718,18	673,06	181,72	854,78
OTHER RECEIPTS .	200,36	9,00	209,36	129,32	15,78	145,10	200,96	10,92	211,88
TOTAL—RECEIPTS .	1538,05	89,07	1627,12	1410,27	200,03	1610,30	1675,23	195,44	1870,67
OPENING BALANCE .	50,19	36	50,55	50,75	1,06	51,81	49,32	80	50,12
GRAND TOTAL—RECEIPTS	1588,24	89,43	1677,67	1461,02	201,09	1662,11	1724,55	196,24	1920,79

* Excludes Rs. 300 crores Treasury Bills converted into dated securities.

DISBURSEMENTS

(Figures in lakhs of Rupees)

	Budget, 1958-59			Revised, 1958-59			Budget, 1959-60		
	India	Abroad	Total	India	Abroad	Total	India	Abroad	Total
I. EXPENDITURE MET FROM REVENUE :									
(*a*) Civil :									
(*i*) Offices and organisations abroad including Embassies & Missions	..	5,23	5,23	..	5,42	5,42	..	5,65	5,65
(*ii*) Contribution to U.N. and other International Organisations .	..	1,91	1,91	..	1,72	1,72	..	2,76	2,76
(*iii*) Debt Charges (including Service charges for Dollar purchases). .	33,93	7,84	41,77	35,78	8,47	44,25	46,88	13,50	60,38
(*iv*) Other expenditure	463,45	5,51	168,96	463,77	6,10	469,87	521,36	6,33	527,69
(*b*) Defence . .	208,32	83,47	291,79	210,37	72,16	282,53	215,63	47,34	262,97
(*c*) P. & T. (Interest) .	3,14	..	3,14	3,16	2	3,18	3,61	2	3,63
TOTAL—EXPENDITURE MET FROM REVENUE . .	708,84	103,96	812,80	713,08	93,89	806,97	787,48	75,60	863,08

II. CAPITAL OUTLAY INCLUDING LOANS, AND ADVANCES ETC.:									
(*a*) Civil:									
(*i*) Purchase of Food-grains . .	81,93	36,12	118,05	142,19	41,47	183,66	155,11	23,62	178,73
(*ii*) Purchase of Fertilizers . . .	14,51	7,00	21,51	12,48	10,30	22,78	16,18	8,04	24,22
(*iii*) Steel Plants . .	47,88	110,00	157,88	63,33	133,55	196,88	51,77	70,23	122,00
(*iv*) Purchases through I.S.M. . . .	..	14,00	14,00	..	14,00	14,00	..	6,73	6,73
(*v*) Sterling pensions	..	—21,33	—21,33	..	—34,67	—34,67	..	..	..
(*vi*) Repayment of loans by Central Govt. . . .	24,47	3,68	28,15	25,97	3,12	29,09	125,24	1,79	127,03
(*vii*) Loans and Advances by Central Govt. (net) excluding loans to H.S. (P) Ltd.	260,23	1	260,24	269,18	1	269,19	264,74	1	264,75
(*viii*) Other Miscellaneous Expenditure and Recoveries on Capital Account. .	42,60	11,90	54,50	—71,45	35,59	—35,86	60,51	53,82	114,33

DISBURSEMENTS—*concld.*

(Figures in lakhs of Rupees)

	Budget, 1958-59			Revised, 1958-59			Budget, 1959-60		
	India	Abroad	Total	India	Abroad	Total	India	Abroad	Total
II. CAPITAL OUTLAY INCLUDING LOANS AND ADVANCES, ETC.—*concld.*									
(*b*) Defence . .	17,18	9,82	27,00	14,91	12,99	27,90	17,82	14,92	32,74
(*c*) P. & T. . .	10,75	7	10,82	10,72	45	11,17	12,94	2,50	15,44
(*d*) Railways . .	76,57	62,27	138,84	56,35	64,53	120,88	84,27	37,54	121,81
TOTAL—DISBURSEMENT .	1284,96	337,50	1622,46	1236,76	375,23	1611,99	1576,06	294,80	1870,86
CLOSING BALANCE . .	54,85	36	55,21	49,32	80	50,12	49,13	80	49,93
GRAND TOTAL . .	1339,81	337,86	1677,67	1286,08	376,03	1662,11	1625,19	295,60	1920,79
NET SURPLUS (+) DEFICIT(—)	+253,09	—248,43	+4,66	+173,51	—175,20	—1,69	+99,17	—99,36	—19

ANNEXURE X

Statement showing the distribution by Demands for Grants of the expenditure shown by heads of account in the Budget of the Central Government for 1959-60.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
1. *Expenditure met from Revenue—*				
Direct Demands on the Revenue—				
1. Customs	22. Customs	3,96,77	..	3,96,77
2. Union Excise Duties	23. Union Excise Duties	80,49,21	—2,04,66	78,44,55
3. Corporation Tax	24. Taxes on Income including Corporation Tax, etc.	1,34,68	..	1,34,68
4. Taxes on Income other than Corporation Tax.	24. Taxes on Income including Corporation Tax, etc.	3,81,06	..	3,81,06
	58. Tripura	6	..	6
	Total—Taxes on Income	3,81,12	..	3,81,12
5. Estate Duty	24. Taxes on Income including Corporation Tax, etc.	11,08	..	11,08
5-A. Taxes on Wealth	24. Taxes on Income including Corporation Tax, etc.	24,09	..	24,09
5-B. Taxes on Railway Fares	24. Taxes on Income, etc.	8,00	..	8,00
5-C. Expenditure Tax	24. Taxes on Income, etc.	2,29	..	2,29
5-D. Gift tax	24. Taxes on Income, etc.	4,58	..	4,58
6. Opium	25. Opium	3 9,94		3,09,94
7. Land Revenue	54. Delhi	3,46	..	3,46
	55. Himachal Pradesh	16,30	..	16,30
	56. Andaman and Nicobar Islands	1,00	..	1,00
	57. Manipur	4,75	..	4,75
	58. Tripura	24,91	..	24,91
	59. Laccadive, Minicoy & Amindivi Islands	61	..	61
	Total—Land Revenue	51,03	..	51,03
8. State Excise Duties	54. Delhi	48,17	..	48,17
	55. Himachal Pradesh	1,74	..	1,74
	57. Manipur	30	..	30
	Total—State Excise Duties	50,21	..	50,21
9. Stamps	26. Stamps	2,87,07	—5,46	2,81,61
	54. Delhi	1,23	..	1,23
	55. Himachal Pradesh	12	..	12
	56. Andaman and Nicobar Islands	2	..	2
	57. Manipur	8	..	8
	59. Laccadive, Minicoy & Amindivi Islands	1	..	1
	Total—Stamps	2,88,53	—5,46	2,83,07
10. Forest	37. Forest	2,59,30	—4,77	2,54,53
	54. Delhi	2,02	..	2,02
	55. Himachal Pradesh	64,60	..	64,60
	56. Andaman and Nicobar Islands	1,52,50	—13,50	1,39,00
	57. Manipur	2,72	..	2,72
	58. Tripura	10,18	..	10,18
	Total—Forest	4,91,32	—18,27	4,73,05

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
11. Registration	54. Delhi	1,23	..	1,23
	55. Himachal Pradesh	2	..	2
	57. Manipur	26	..	26
	58. Tripura	87	..	87
	TOTAL—REGISTRATION	2,38		2,38
12. Taxes on Vehicles	54. Delhi	23,99	..	23,99
	55. Himachal Pradesh	1,63	..	1,63
	57. Manipur	2,35	..	2,35
	58. Tripura	1,05	..	1,05
	TOTAL—TAXES ON VEHICLES	29,02	..	29,02
12-A. Sales Tax	54. Delhi	10,00	..	10,00
13. Other Taxes & Duties	54. Delhi	1,45,63	..	1,45,63
	55. Himachal Pradesh	1,48	..	1,48
	57. Manipur	1,01	..	1,01
	58. Tripura	1,36	..	1,36
	TOTAL—OTHER TAXES, ETC.	1,49,48	..	1,49,48
	TOTAL—DIRECT DEMANDS ON THE REVENUE	1,03,93,73	—2,28,39	1,01,65,34
Irrigation Works—				
18. Other Revenue Expenditure	54. Delhi	4,00	..	4,00
	55. Himachal Pradesh	5,76	..	5,76
	57. Manipur	3,25	..	3,25
	58. Tripura	2,00	..	2,00
	66. Miscellaneous Departments and other Expenditure under the Ministry of Irrigation and Power	40	..	40
	TOTAL—OTHER REVENUE EXPENDITURE	15,41	..	15,41
20. Posts and Telegraphs—Interest on Debt.	86. Indian Posts & Telegraphs Department (*a*)	3,62,81	—1,69	3,61,12
22. Interest on Debt and other obligations.	Interest on Debt and other obligations	1,63,21,88	—1,10,33,53	52,88,35
23. Appropriation for Reduction or Avoidance of Debt.	Ditto	5,00,00	..	5,00,00
Civil Administration—				
25. General Administration	1. Ministry of Commerce and Industry	73,93	—72	73,21
	6. Ministry of Community Development and Co-operation	27,40	..	27,40
	8. Ministry of Defence	40,28	..	40,28
	13. Ministry of Education	59,43	..	59,43
	18. External Affairs	1,22,11	—42	1,21,69
	21. Ministry of Finance	1,48,05	—35	1,47,70

(a) *See* also head XIX page 183.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
25. General Administration—*concld.*				
	36. Ministry of Food and Agriculture	75,46	—5	75,41
	42. Ministry of Health	14,09	..	14,09
	46. Ministry of Home Affairs	2,89,89	..	2,89,89
	47. Cabinet	37,33	..	37,33
	48. Zonal Council	3,69	..	3,69
	54. Delhi	37,62	..	37,62
	55. Himachal Pradesh	35,67	..	35,67
	56. Andaman & Nicobar Islands	11,44	..	11,44
	57. Manipur	11,40	..	11,40
	58. Tripura	16,28	..	16,28
	59. Laccadive, Minicoy and Amindivi Islands	1,45	..	1,45
	61. Ministry of Information and Broadcasting	14,37	..	14,37
	64. Ministry of Irrigation and Power	24,32	—17	24,15
	67. Ministry of Labour and Employment	20,06	..	20,06
	70. Ministry of Law	25,85	—60	25,25
	71. Elections	90,93	..	90,93
	72. Ministry of Rehabilitation	37,32	..	37,32
	74. Ministry of Scientific Research and Cultural Affairs	29,32	..	29,32
	81. Ministry of Steel, Mines and Fuel	40,34	—1,54	38,80
	85. Ministry of Transport and Communications	54,56	—7,57	46,99
	95. Ministry of Works, Housing and Supply	63,24	—64	62,60
	100. Department of Atomic Energy	13,25	..	13,25
	102. Department of Parliamentary Affairs	2,32	..	2,32
	103. Lok Sabha	1,00,66	..	1,00,66
	105. Rajya Sabha	34,50	..	34,50
	106. Secretariat of the Vice-President	64	..	64
	Staff, Household and Allowances of the President	25,19	..	25,19
	Union Public Service Commission	42,64	...	42,64
	TOTAL—GENERAL ADMINISTRATION	16,25,03	—12,06	16,12,97
26. Audit	27. Audit	10,78,62	—3,13,84	7,64,78
27. Administration of Justice	49. Administration of Justice.	18,36	—3	18,33
	54. Delhi	15,67	..	15,67
	55. Himachal Pradesh	5,85	..	5,85
	57. Manipur	1,67	..	1,67
	58. Tripura	2,57	..	2,57
	TOTAL—ADMINISTRATION OF JUSTICE	44,12	—3	44,09

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure in the Budget
28. Jails	54. Delhi	7,89	—50	7,39
	55. Himachal Pradesh	2,52	..	2,52
	56. Andaman and Nicobar Islands	52	..	52
	57. Manipur	1,23	..	1,23
	58. Tripura	2,72	..	2,72
	TOTAL—JAILS	14,88	—50	14,38
29. Police	50. Police	5,43,43	—3,09	5,40,34
	54. Delhi	1,85,69	..	1,85,69
	55. Himachal Pradesh	39,73	..	39,73
	56. Andaman & Nicobar Islands	17,11	..	17,11
	57. Manipur	54,74	..	54,74
	58. Tripura	53,68	..	53,68
	59. Laccadive, Minicoy, etc.	12	..	12
	TOTAL—POLICE.	8,94,50	—3,09	8,91,41
30. Ports & Pilotage	56. Andaman & Nicobar Islands	62,65	—18,30	44,35
30-A. Mercantile Marine.	87. Mercantile Marine	68,94	—1,01	67,93
31. Lighthouses and Lightships.	88. Lighthouses and Lightships	1,28,87	—80,68	48,19
34. Tribal Areas	16. Tribal Areas	8,70,90	—84,00	7,86,90
	17. Naga Hills & Tuensang Area	3,44,33	...	3,44,33
	TOTAL—TRIBAL AREAS	12,15,23	—84,00	11,31,23
35. External Affairs	18. External Affairs	8,54,05	—16,90	8,37,15
36. Scientific Departments	41. Miscellaneous Departments and other Expenditure under the Ministry of Food and Agriculture	3,86	—19	3,67
	55. Himachal Pradesh	6	..	6
	68. Chief Inspector of Mines	21,53	..	21,53
	75. Archaeology	1,07,05	..	1,07,05
	76. Survey of India	1,61,14	—65,47	95,67
	77. Botanical Survey	15,35	..	15,35
	78. Zoological Survey	11,35	—27	11,08
	79. Scientific Research and Cultural Affairs	9,01,07	—18,14	8,82,93
	82. Geological Survey	2,21,05	—6,90	2,14,15
	83. Exploration of Oil and Natural Gas	3,38,55	..	3,38,55
	84. Miscellaneous Departments and other Expenditure under the Ministry of Steel, Mines & Fuel	55,62	—50	55,12
	89. Meteorology	1,62,47	—8,07	1,54,40
	101. Atomic Energy Research	4,30,70	—3,50	4,27,20
	TOTAL—SCIENTIFIC DEPARTMENTS	24,29,80	—1,03,04	23,26,76

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
37. Education	14. Education	31,13,48	—69,37	30,44,11
	54. Delhi	2,43,24	..	2,43,24
	55. Himachal Pradesh	39,81	..	39,81
	56. Andaman & Nicobar Islands	9,23	..	9,23
	57. Manipur	31,37	..	31,37
	58. Tripura	49,56	..	49,56
	59. Laccadive, Minicoy and Amindivi Islands	2,93	..	2,93
	79. Scientific Research and Cultural Affairs	4,05,91	—13,84	3,92,07
	TOTAL—EDUCATION	38,95,53	—83,21	38,12,32
38. Medical	43. Medical Services	6,63,09	—74,40	5,88,69
	54. Delhi	65,58	..	65,58
	55. Himachal Pradesh	7,77	..	7,77
	56. Andaman & Nicobar Islands	9,26	..	9,26
	57. Manipur	12,26	..	12,26
	58. Tripura	7,07	..	7,07
	59. Laccadive, Minicoy and Amindivi Islands	1,80	..	1,80
	TOTAL—MEDICAL	7,66,83	—74,40	6,92,43
39. Public Health	44. Public Health	16,53,07	—7,01,54	9,51,53
	54. Delhi	22,78	—5,12	17,66
	55. Himachal Pradesh	14,09	—2,68	11,41
	56. Andaman & Nicobar Islands	2,67	..	2,67
	57. Manipur	10,90	—4,22	6,68
	58. Tripura	11,95	—2,05	9,90
	59. Laccadive, Minicoy and Amindivi Islands	44	..	44
	TOTAL—PUBLIC HEALTH	17,15,90	—7,15,61	10,00,29
40. Agriculture	38. Agriculture	10,04,83	—91,06	9,13,77
	39. Agricultural Research	4,93,75	—76,86	4,16,89
	54. Delhi	14,11	—2,00	12,11
	55. Himachal Pradesh	41,58	..	41,58
	56. Andaman & Nicobar Islands	8,91	..	8,91
	57. Manipur	4,10	..	4,10
	58. Tripura	15,68	..	15,68
	59. Laccadive, Minicoy and Amindivi Islands	5,00	..	5,00
	TOTAL—AGRICULTURE	15,87,96	—1,69,92	14,18,04
40-A. Rural Development	41. Miscellaneous Departments and other Expenditure of the Ministry of Food and Agriculture	1,10,43	—1,43	1,09,00

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
41. ANIMAL HUSBANDRY	40. Animal Husbandry	2,62,73	—28,24	2,34,49
	54. Delhi	3,15	..	3,15
	55. Himachal Pradesh	8,63	—98	7,65
	56. Andaman & Nicobar Islands	3,22	..	3,22
	57. Manipur	1,91	..	1,91
	58. Tripura	2,13	..	2,13
	59. Laccadive, Minicoy and Amindivi Islands	17	..	17
	TOTAL—Animal Husbandry	2,81,94	—29,22	2,52,72
42. Co-operation	7— Community Development Projects, National Extension Service and Co-operation	2,66,50	—1,05	2,65,45
	54. Delhi	4,97	..	4,97
	55. Himachal Pradesh	9,03	..	9,03
	56. Andaman & Nicobar Islands	72	..	72
	57. Manipur	2,20	—95	1,25
	58. Tripura	1,17	—71	46
	59. Laccadive, Minicoy and Amindivi Islands	1,06	..	1,06
	TOTAL—CO-OPERATION	2,85,65	—2,71	2,82,94
43. Industries and Supplies	2. Industries	29,69,88	—7,52,71	22,17,17
	3. Salt	74,97	—23,56	51,41
	54. Delhi	6,32	..	6,32
	55. Himachal Pradesh	39,73	..	39,73
	56. Andaman and Nicobar Islands	2,25	..	2,25
	57. Manipur	4,14	..	4,1
	58. Tripura	10,81	..	10,814
	59 Laccadive, Minicoy and Amindivi Islands	97	..	97
	84. Miscellaneous Departments and other expenditure under the Ministry of Steel, Mines and Fuel	24,85,97	—8,23,52	16,62,45
	90. Overseas Communication Service	1,36,86	..	1,36,86
	94. Miscellaneous Department and Other Expenditure under the Ministry of Transport and Communications.	80,00	..	80,00
	96. Supplies	2,84,92	—16,75	68,17
	TOTAL—INDUSTRIES AND SUPPLIES	60,96,82	—16,16,54	44,80,28
44 Aviation	91. Aviation	7,09,37	—3,49,64	3,59,73
45 Broadcasting	62. Broadcasting	4,64,47	—50,00	4,14,47
47. Miscellaneous Departments.	4. Commercial Intelligence and Statistics	81,23	—4	81,19
	5. Miscellaneous Departments & Expenditure under the Ministry of Commerce and Industry	1,95,68	—2,65	1,93,03

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
47. Miscellaneous Departments—*concld.*	15. Miscellaneous Departments and expenditure under the Ministry of Education	14,93	..	14,93
	32. Miscellaneous Departments and other expenditure under the Ministry of Finance .	67,12	..	67,12
	41. Miscellaneous Departments and other expenditure under the Ministry of Food and Agriculture . .	1,80,40	—52,36	1,28,04
	45. Miscellaneous Departments and Expenditure under the Ministry of Health. . .	1,40	..	1,40
	51. Census . . .	18,51	..	18,51
	52. Statistics . . .	1,89,04	..	1,89,04
	54. Delhi	9,93	..	9,93
	55. Himachal Pradesh . .	4,87	..	4,87
	56. Andaman & Nicobar Islands	17,10	—6,84	10,26
	57. Manipur . . .	84	..	84
	58. Tripura . . .	5,33	..	5,33
	60 Miscellaneous Departments and expenditure under the Ministry of Home Affairs .	74,88	—1,00	73,88
	63. Miscellaneous Departments and expenditure under the Ministry of Information and Broadcasting . .	3,34,01	—22,24	3,11,77
	66. Miscellaneous Departments and expenditure under the Ministry of Irrigation and Power	79,11	—22,49	56,62
	69. Miscellaneous Departments and expenditure under the Ministry of Labour and Employment . . .	5,06,17	—2,72,66	2,33,51
	80. Miscellaneous Department and expenditure under the Ministry of Scientific Research and Cultural Affairs	18,94	—16	18,78
	84. Miscellaneous Departments and other expenditure under the Ministry of Steel, Mines and Fuel . . .	1,65,00	..	1,65,00
	94. Miscellaneous Departments and other Expenditure under the Ministry of Transport and Communications . .	70,08	..	70,08
	99. Miscellaneous Departments and expenditure under the Ministry of Works, Housing and Supply . . .	16,79	—3,85	12,94
	TOTAL—MISCELLANEOUS DEPARTMENTS	20,51,36	—3,84,29	16,67,07
	TOTAL—CIVIL ADMINISTRATION . .	2,63,82,95	—41,10,42	2,22,72,53

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
48. Currency	28. Currency	4,06,54	—12,20	3,94,30
49. Mint	29. Mint	5,88,39	—30	5,88,04
50. Civil Works	92. Central Road Fund	3,88,63	—28,63	3,60,00
	93. Communications (including National High ways)	6,64,37	..	6,64,37
	97. Other Civil Works	27,27,27	—19,22,48	8,04,79
	TOTAL—CIVIL WORKS	37,80,27	—19,51,11	18,29,16
51-B. Other revenue expenditure connected with Multi-purpose River Schemes	65. Multi-purpose River Schemes	1,91,37	—90,38	1,00,99
52-A. Other Revenue Expenditure connected with Electricity Schemes	55. Himachal Pradesh	5,15	..	5,15
54. Famine	54. Delhi	50	..	50
54-A. Territorial and Political Pensions	30. Territorial and Political Pensions	25,34	..	25,34
54-B. Privy Purses and Allowances of Indian Rulers.	53. Privy Purses and Allowances of Indian Rulers	5,41,93	..	5,41,93
55. Superannuation Allowances and Pensions.	31. Superannuation Allowances and Pensions	4,09,46	—13,35	3,96,11
56. Stationery and Printing	54. Delhi	1	..	1
	55. Himachal Pradesh	3,17	..	3,17
	56. Andaman & Nicobar Islands	49	..	49
	57.—Manipur	61	..	61
	58.—Tripura	1,02	..	1,02
	98. Stationery and Printing	7,77,42	—5,16,91	2,60,51
	TOTAL—STATIONERY AND PRINTING	7,82,72	—5,16,91	2,65,81
57. Miscellaneous	5. Miscellaneous Departments and Expenditure under the Ministry of Commerce and Industry.	83,48	..	83,48
	15. Miscellaneous Departments and oher Expenditure under the Ministry of Education	2,21,46	—14	2,21,32
	19. State of Pondicherry	2,75,19	—22,51	2,52,68
	20. Miscellaneous Expenditure under the Ministry of External Affairs	4,68	..	4,68
	32. Miscellaneous Departments and other Expenditure under the Ministry of Finance	28,33,11	—50	28,32,61
	33. Planning Commission	77,72	..	77,72
	41. Miscellaneous Depratments and other Expenditure under the Ministry of Food and Agriculture	8,85,41	—97	8,84,44

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
57. Miscellaneous—*concld.*	45. Miscellaneous Departments and Expenditure under the Ministry of Health.	86,53	..	86,53
	54. Delhi	2,25,99	—2,52	2,23,47
	55. Himachal Pradesh	1,26,79	..	1,26,79
	56. Andaman & Nicobar Islands	8,83	..	8,83
	57. Manipur (*a*)	53,36	..	53,36
	58. Tripura	1,37,46	..	1,37,46
	59. Laccadive, Minicoy and Amindivi Islands.	2,74	..	2,74
	60. Miscellaneous Departments and Expenditure under the Ministry of Home Affairs	10,91,16	—9,18	10,81,98
	63. Miscellaneous Departments and Expenditure under the Ministry of Information and Broadcasting	9,50	..	9,50
	66. Miscellaneous Departments and Expenditure under the Ministry of Irrigation and Power	86,86	..	86,86
	69. Miscellaneous Departments and Expenditure under the Ministry of Labour and Employment	5,45,53	—7,01	5,38,52
	73. Expenditure on displaced persons and Minorities	19,69,18	..	19,69,18
	80. Miscellaneous Departments and Expenditure under the Ministry of Scientific Research and Cultural Affairs	17,92	..	17,92
	84. Miscellaneous Departments and other Expenditure under the Ministry of Steel, Mines and Fuel	39	..	39
	94. Miscellaneous Departments and Expenditure under the Ministry of Transport and Communications	21,09	—15	20,94
	99. Miscellaneous Departments and Expenditure under the Ministry of Works, Housing and Supply	1,02,17	—1,20	1,00,97
	101. Atomic Energy Research	10,00	..	10,00
	104. Miscellaneous Expenditure under the Lok Sabha	34	..	34
	TOTAL—MISCELLANEOUS	88,76,89	—44,18	88,32,71

(*a*) See also head XLVI-*A* on page 183.

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
58. Defence Services, Effective—Army.	9. Defence Services, Effective—Army	1,74,85,62	—6,20,32	1,68,65,30
59. Defence Services, Effective—Navy.	10. Defence Services, Effective—Navy	18,40,50	—3,60	18,36,90
60. Defence Services, Effective—Air Force.	11. Defence Services, Effective—Air Force	59,79,91	..	59,79,91
60-A. Defence Services, Non-Effective.	12. Defence Services, Non-Effective Charges	16,15,29	..	16,15,29
61. Grants-in-aid to States	*Grants-in-aid to States*	48,84,10	..	48,84,10
62. Miscellaneous Adjustments between the Union and State Governments.	34. Miscellaneous Adjustments between the Union and State Governments	18,08	..	18,08
63. Extraordinary Payment	32. Miscellaneous Departments and other Expenditure under the Ministry of Finance	15,00,00	..	15,00,00
63-B. Community Development Projects.	7. Community Project Administration and National Extension Service	17,91,94	—22,59	17,69,35
	33. Planning Commission	1,50,14	..	1,50,14
	54. Delhi	6,96	—10	6,86
	55. Himachal Pradesh	47,19	—5	47,14
	56. Andaman and Nicobar Islands	3,47	..	3,47
	57. Manipur	10,19	—5	10,14
	58. Tripura	10,61	—5	10,56
	TOTAL—COMMUNITY DEVELOPMENT PROJECTS	20,20,50	—22,84	19,97,66
64-B. Civil Defence	69. Miscellaneous Departments and Expenditure under the Ministry of Labour and Employment.	94	..	94
64-C. Pre-partition Payments.	35. Pre-partition Payments	27,29	..	27,29
	TOTAL	10,49,57,57	—1,86,49,22	8,63,08,35
Add—Railway Expenditure as per Railway Budget.		93,32,58	..	93,32,58
TOTAL—EXPENDITURE MET FROM REVENUE		11,42,90,15	—1,86,49,22	9,56,40,93

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
Posts and Telegraphs—				
XIX. Posts and Telegraphs *Deduct*—Working Expenses.	86. Indian Posts and Telegraphs Departments	66,34,67	—4,91,31	61,43,36
Civil Works and Miscellaneous Public Improvements—				
XLI. Receipts from Electricity Schemes—	55. Himachal Pradesh . .	2,70	..	2,70
	57. Manipur	4,24	..	4,24
Deduct—Working Expenses.	58. Tripura	4,65	..	4,65
	TOTAL—RECEIPTS FROM ELECTRICITY SCHEMES	11,59	..	11,59
Miscellaneous—				
XLVI.-A. Receipts from Road and Water Transport Schemes—*Deduct*—Working Expenses	55. Himachal Pradesh .	59,09	—6,30	52,79
	57. Manipur . .	14,01	..	14,01
	59. Laccadive, Minicoy and Amindivi Islands .	1,53	..	1,53
	TOTAL—RECEIPTS FROM ROAD AND WATER TRANSPORT SCHEME	74,63	—6,30	68,33
	TOTAL .	67,20,89	—4,97,61	62,23,28
	GRAND TOTAL	12,10,11,04	—1,91,46,83	10,18,64,21
	Deduct—Railway Expenditure as shown above .	93,32,58	..	93,32,58
	TOTAL—EXPENDITURE MET FROM REVENUE AS SHOWN IN DEMANDS FOR GRANTS	11,16,78,46	—1,91,46,83	9,25,31,63
II. Capital Account not met from Revenue—				
65-A Capital Outlay on Forests.	119. Capital Outlay on Forests .	13,97	..	13,97
66. Capital Outlay on the Security Printing Press.	112. Capital Outlay on the India Security Press . . .	11,00	..	11,00
68-A. Construction of Irrigation, Navigation, Embankment and Drainage Works. Non-Commercial.	126. Other Capital Outlay of the Ministry of Irrigation and Power	14,01	..	14,01
69. Capital Outlay on Posts and Telegraphs.	131. Capital Outlay on Posts and Telegraphs .	34,18,41	—18,73,92	15,44,49
71. Capital Outlay on Schemes of Agricultural Improvement and Research.	108. Capital Outlay of the Ministry of Community Development and Co-operation.	3,41,60	...	3,41,60
	121. Other Capital Outlay of the Ministry of Food and Agriculture . . .	1,80,22	—28,35	1,51,87
	Total	5,21,82	—28,35	4,93,47

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
72. Capital Outlay on Industrial Development.	107. Capital Outlay of the Ministry of Commerce and Industry	16,18,83	..	16,18,83
	117. Other Capital Outlay of the Ministry of Finance.	20,00	..	20,00
	122. Capital Outlay of the Ministry of Health	52	..	52
	128. Capital Outlay of the Ministry of Rehabilitation	1,00,00	..	1,00,00
	129. Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	2,08,00	..	2,,08,00
	130. Capital Outlay of the Ministry of Steel, Mines and Fuel	23,36,87	—1,45,81	21,91,06
	135. Capital Outlay of the Ministry of Transport and Communications	7,89,75	—5,00	7,84,75
	138. Other Capital Outlay of the Ministry of Works, Housing & Supply	1,64,50	—91,50	73,00
	139. Capital Outlay of the Department of Atomic Energy	5,37,00	—1,05,00	4,32,00
	TOTAL—CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT.	57,75,47	—3,47,31	54,28,16
72 A. Capital Outlay on Civil Aviation.	132. Capital Outlay on Civil Aviation	4,38,27	..	4,38,27
72-B. Capital Outlay on Broadcasting.	124. Capital Outlay on Broadcasting	1,98,85	—93,85	1,05,00
73. Capital Outlay on Ports	133. Capital Outlay on Ports	3,03,50	—60,97	2,42,53
77. Currency Capital Account outside the Revenue Account.	113 Capital Outlay on Currency and Coinage.	1,00,93,43	—2,30,72	98,62,71
77-A. Capital Outlay on Mints.	114. Capital Outlay on Mints.	48,54	..	48,54
78. Initial Expenditure on New Capital at Delhi	136. Delhi Capital Outlay	7,39,05	..	7,39,05
80-A. Capital Outlay on Multi-purpose River Schemes.	125. Capital Outlay on Multi-purpose River Schemes	3,22,98	..	3,22,98
81. Capital Outlay on Civil Works.	134. Capital Outlay on Roads	13,15,00	..	13,15,00
	137. Capital Outlay on Buildings	8,22,95	—3,00,00	5,22,95
	TOTAL—CAPITAL OUTLAY ON CIVIL WORKS	21,37,95	—3,00,00	18,37,95

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
81-A. Capital Outlay on Electricity Schemes.	126. Other Capital Outlay of the Ministry of Irrigation and Power	1,32,47	—47,52	84,95
82. Capital Account of other Works outside the Revenue Account.	121. Other Capital Outlay of the Ministry of Food & Agriculture.	1,50,00	—1,36	1,48,64
82-B. Capital Outlay on Road and Water Transport Schemes.	135. Other Capital Outlay of the Ministry of Transport and Communications	16,50	..	16,50
82-C. Capital Outlay on Shipping Tankers, etc.	123. Capital Outlay of the Ministry of Home Affairs	48,30	..	48,30
	135. Other Capital Outlay of the Ministry of Transport and Communications	30,00	..	30,00
	TOTAL	78,30	..	78,30
82-D. Dandakaranya Development Scheme	128. Capital Outlay of the Ministry of Rehabilitation	6,00,00	—27,50	5,72,50
83. Payments of Commuted Value of Pensions.	115. Commuted Value of Pensions	46,35	—82,51	—36,16
83-A. Capital Outlay on Sterling Pensions.	Capital Outlay on Sterling Pensions	..	—3,58,98	—3,58,98
85. Payments to Retrenched Personnel.	116. Payments to Retrenched Personnel	6	—13	—7
85-A. Capital Outlay on Schemes of Government Trading.	107. Capital Outlay of the Ministry of Commerce and Industry	6,52	— 54,08	—47,56
	108. Capital Outlay of the Ministry of Community Development and Co-operation	37,11	—37,11	..
	110. Capital Outlay of the Ministry of Education	69,64	—69,64	..
	111. Capital Outlay of the Ministry of External Affairs	68,32	—75,50	—7,18
	117. Other Capital Outlay of the Ministry of Finance	2,55,41	— 2,55,41	..
	120. Purchase of Food grains	1,86,36,77	—1,53,58,15	32,78,62

(In thousands of Rupees)

Maior Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
	121. Other Capital Outlay of the Ministry of Food and Agriculture	33,13,48	—31,81,75	1,31,73
	122. Capital Outlay of the Ministry of Health	9,47,45	—9,63,98	—16,53
	123. Capital Outlay of the Ministry of Home Affairs	15,64	—15,64	..
	124. Capital Outlay on Broadcasting	1,15	—1,15	..
	126. Other Capital Outlay of the Ministry of Irrigation and Power	6,25,63	—6,25,63	..
	127. Capital Outlay of the Ministry of Labour and Employment	3,49	—3,49	..
	129. Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	29,85	—29,85	..
	130. Capital Outlay of the Ministry of Steel, Mines and Fuel	41,52	—1,78,34	—1,36,82
	135. Other Capital Outlay of the Ministry of Transport and Communications	39,85	—39,85	..
	138. Other Capital Outlay of the Ministry of Works, Housing and Supply	2,47	—1,05	1,42
	139. Capital Outlay of the Department of Atomic Energy	10,00	—10,00	..
85-D. Capital Outlay on payments to Displaced Persons.	128. Capital Outlay of the Ministry of Rehabilitation	13,20,00	—8,65,39	4,54,61
85-E. Transfer of Sale proceeds of American Loan Commodities.	117. Other Capital Outlay of the Ministry of Finance	57,00,00	..	57,00,00
	121. Other Capital Outlay of the Ministry of Food and Agriculture			
	126. Other Capital Outlay of the Ministry of Irrigation and Power	10,00	..	10,00
	130. Capital Outlay of the Ministry of Steel, Mines and Fuel	28,81	..	28,81
	Total	57,38,81	..	57,38,81
TOTAL—CAPITAL OUTLAY ON SCHEMES OF GOVERNMENT TRADING		2,41,04,30	—2,09,00,62	32,03,68
86. Defence Capital Outlay	109. Defence Capital Outlay	36,94,00	—4,20,00	32,74,00

(In thousands of Rupees)

Major Head of Account	Number and Name of Demand	Amount		
		Gross expenditure (*i.e.*, amount of Demand)	Recoveries taken in reduction of expenditure in the Budget	Net expenditure shown in the Budget
88. Grants for Development.	117. Other Capital Outlay of the Ministry of Finance . .	5,00,00	—1,94,64	3,05,36
	122. Capital Outlay of the Ministry of Health . .	3,00,00	—35,33	2,64,67
	123. Capital Outlay of the Ministry of Home Affairs.	17,08	—25,53	—8,45
	134. Capital Outlay on Roads.	3,35,00	—88,37	2,46,63
	138. Other Capital Outlay of the Ministry of Works, Housing and Supply . . .	5,48,00	—63,71	4,84,29
	TOTAL—GRANTS TO STATES, ETC. . .	17,00,08	—4,07,58	12,92,50
	TOTAL—CAPITAL ACCOUNT NOT MET FROM REVENUE .	6,16,18,12	—2,60,46,71	3,55,71,41
Add—Railway Capital as shown in Railway Budget . .		1,21,81,34	..	1,21,81,34
	TOTAL—CAPITAL .	7,37,99,46	—2,60,46,71	4,77,52,75

Statement of Capital Disbursements of the Central Government.

O. Loans and Advances by the Central Government.

Advances to State Governments . . . 2,91,07,75 Other Loans and Advances 2,06,36,16 4,97,43,91	118. Loans and Advances by the Central Government.	5,24,68,95	—27,25,04	4,97,43,91

Public Debt

A. Debt raised in India—				
I. Rupee Debt . . 1,17,67,00	Repayment of Debt	53,58,67,32	..	53,58,67,32
II. Floating Debt . 52,31,63,00				
B. Debt raised in England 1,41				
C. Other Debt . . 9,35,86				
D. Inter-State Settlement 5				
53,58,67,32				

ANNEXURE XI

Statement showing the distribution of Civil Expenditure met from revenue under broad categories

(In lakhs of Rs.)

	Accounts, 1957-58	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
PAY OF OFFICERS	13,57	15,77	15,72	17,34
PAY OF ESTABLISHMENTS	45,31	47,69	49,97	54,81
ALLOWANCES, HONORARIA, ETC.	43,81	54,25	49,30	53,70
CONTINGENCIES	31,13	31,82	36,09	39,58
INTEREST CHARGES INCLUDING REDUCTION OR AVOIDANCE OF DEBT	1,22,75	1,39,43	1,40,93	1,68,22
PENSIONS INCLUDING PRIVY PURSES	9,36	9,53	9,66	9,77
GRANTS-IN-AID TO STATES AND OTHERS	1,17,34	1,45,03	1,60,32	1,92,95
CIVIL WORKS INCLUDING COMMUNICATION WORKS AND CENTRAL ROAD FUND	27,42	29,73	31,69	33,09
STATES' SHARE OF UNION EXCISED UTIES ORDINARY AND ADDITIONAL	40,22	68,97	72,99	72,40
EXPENDITURE ON DISPLACED PERSONS	22,27	20,48	24,75	19,69
OTHER EXPENDITURE	1,54,52	2,05,69	1,72,45	1,86,02
TOTAL	6,27,70	7,68,39	7,63,87	8,47,57

NOTE—Dearness and other allowances of staff paid from contingencies are included under 'Contingencies'.

ANNEXURE XII

Special Development Fund and other Foreign Assistance

The Special Development Fund was started in October, 1951, from the sale proceeds of American Loan Wheat and wheat obtained from Commonwealth countries under the Colombo Plan. Later on, other assistance under the Colombo Plan the assistance received under the Indo-U.S. Technical Co-operation Agreements; the assistance from Norway for the development of fisheries community; sale proceeds of American Loan Commodities and Assistance under U. S. Public Law 480 were also brought into the Fund. The statement below gives the details of the transactions of the Fund.

(In lakhs of Rupees)

Sub-Major Heads	Opening Balance as on 1-4-57	Actuals, 1957-58		Revised, 1958-59		Budget, 1959-60		Closing Balance as on 31-3-60
		Cr.	Dr.	Cr	Dr.	Cr.	Dr.	
1	2	3	4	5	6	7	8	9
1. Fund from the sale proceeds of American Loan Wheat	4,05	5,91	3,76	12,02	18,22	12,02	12,02	..
2 Fund from the sale proceeds of wheat received under the Colombo Plan	78	45	..	1,71	2,94	1,71	1,71	..
3. Fund from other assistance under the Colombo Plan	8,91	10,60	3,72	9,16	2,89	7,92	7,12	22,86
4. Fund from assistance under the Indo-U.S. Technical Co-operation Agreement	45,20	3,80	5,96	11,12	10,59	13,42	10,37	46,62
5. Fund from assistance from Norway for Fisheries Community Development	..	3	3	11	11	25	25	..
6. Fund from the sale proceeds of American Loan commodities	..	12,04	1,18	12,78	..	2,39	..	26,03
7. Fund from assistance under Public Law 480	..	..	..	7,00	5,00	70,00	5,00	67,00
TOTAL	58,94	32,83	14,65	53,90	39,75	1,07,71	36,47	1,62,51

*As the accounts have not yet been closed finally, the figures given in columns 2, 3 and 4 are provisional.

Fund from the sale proceeds of American Loan Wheat.

The net cash realised by the sale of American Loan wheat was credited to this head. The transactions represent payment of loans to the State Governments out of this Fund for development schemes approved in the Plan and repayments thereof.

Fund from the sale proceeds of wheat received under the Colombo Plan.

A credit of Rs. 11·09 crores was afforded to this head on account of the sale proceeds of gift wheat received under the Colombo Plan from Canada and Australia. The fund was utilised for grant of loans to the West Bengal and Hyderabad Governments for the Mayurakshi and Tungabhadra Projects respectively.

Fund from other assistance under the Colombo Plan.

The assistance received from Commonwealth countries under the Colombo Plan in the form of equipment, materials, etc. other than wheat is accounted for under this head. Provision has been made next year for receipt of atomic reactors at Trombay, Bombay, equipments for National Dairy Research Institute, Karnal, All India Radio, Dairy Development and Rural Electrification Scheme and fertilizers. Provision has also been made in next year's budget for receipt of cash grant from New Zealand for All India Institute of Medical Science.

Material and equipment received are either utilised on Central Government projects or are given to State Governments as loan and grant. In certain cases these are sold and the cash realised utilised for financing the development plans. The table below indicates the details of the latter and other cash grants for which provision has been included in the estimates:—

(In lakhs of Rupees)

Sl.No	Nature of the Material or assistance	Country from which received	Estimates of aid		
			Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
1.	Rail Cars & Wagons. .	Australia	123·38	152·35	..
2.	Raw Materials . .	Canada	..	515·00	..
3.	Fertilizers. . .	Canada	..	..	138·38
4.	Cash grant for Delhi Milk Supply Scheme.	New Zealand	53·00	53·00	..
5.	Cash grant for All India Institute of Medical Science .	New Zealand	..	..	13·00

Fund from assistance under the Indo-U.S. Technical Co-operation Agreement.

The estimated cost of the materials and equipments received under the various Agreements with the Technical Co-operation Mission are credited to this head by debit to the head '85-A—Capital Outlay on Schemes of Government Trading'. As soon as the materials and equipments are made over to the State Governments, either as loans or as grants-in-aid, the Capital head is relieved by *per contra* debit to the final head, which is simultaneously cleared by debit to the Fund. Similarly in the case of schemes run by the Central Government the debit for the equipment etc.

is adjusted against the head concerned by contra credit to the head '85-A' the debit being simultaneously cleared by recovery from the Fund. The repayment of loans by the States is credited direct to the Fund for subsequent utilisation on agreed development schemes. The sale proceeds of fertilisers and steel for agricultural use are earmarked for community development projects.

Fund from assistance from Norway for Fisheries Community Development

This head records the assistance received from the Government of Norway for fisheries community development in Kerala. The project is managed by the State Government and the equipment received from Norway is given to that Government as grant-in-aid.

Fund from the sale proceeds of American Loan Commodities

The agreements entered into with the Government of U.S.A. through the Technical Co-operation Mission in March 1955, July 1956 and June 1957 provide for the supply of certain commodities like wheat, cotton, fertilizers, iron and steel, equipments for rural electrification, storage godowns, tube well casing, equipment for malaria control, etc. The surplus agricultural commodities, *viz.*, wheat and cotton are paid for initially in rupees in India to the representatives of the U.S.A. Government and agreed sums are later paid back by the U.S.A. Government partly as loan and partly as grant to the Government of India. The loan received from the U.S.A. Government is taken to the head "N-Public Debt—Other Debt" and grant is credited to Revenue. The invoice value of the equipment received on loan account is debited to the head "85-A-Capital Outlay on Schemes of Government Trading" by *per contra* credit to "N—Public Debt". The sale proceeds of the commodities when realised are credited to the head '85-A'. A sum equivalent to the sale proceeds is simultaneously credited to this Fund by debit to the Capital major head "85-E.—Transfer of Development assistance from the Government of U.S.A." Provision has been made in Revised Estimates and in the next year's budget for transfer of Rs. 12·7 crores and Rs. 2·39 crores respectively to the Special Development Fund.

Fund from assistance under Public Law 480.

The Agricultural Commodities Agreement between the Governments of the U.S.A. and India under the Agricultural Trade Development and Assistance Act (Public Law 480) was signed in August 1956. Two supplementary agreements were signed during the current year. Under these agreements certain surplus agricultural commodities like wheat, rice, maize, milo, cotton, tobacco, and dairy products are purchased by the Government of U.S.A. for supply to the Government of India and the rupee equivalent of the dollars thus paid by the U.S.A. Government is paid to that Government in India, a part of which is later made available to the Government of India partly as loan and partly as grant for being utilised upon agreed projects or schemes. Current Budget assumed a credit of Rs. 82 crores—Rs. 68 crores as loan and the balance as grant. Receipts during the current year are now estimated at Rs. 7 crores of which Rs. 6 crores are loans and the balance as grant. A sum of Rs. 70 crores is expected to be received next year from the Government of U.S.A. on this account. Of this Rs. 15 crores will be as a grant and the balance as a loan. These receipts will also be transferred to the Special Development Fund as in the case of sale proceeds of American Loan Commodities mentioned above and necessary provision has been made in the Budget accordingly.

The agreement with the Government of the U.S.A. provides that out of the total loan to be advanced by that Government under P.L. 480, a sum not less than $ 55 million will be reloaned by the Government of India to the private sector through established banking facilities under procedure to be agreed upon between the two Governments. A Re-finance Corporation has, accordingly, been set up in collaboration with the Reserve Bank of India and other banks to which the sum of $ 55 million received from the U.S.A. would be transferred in the form of loan. Current Budget provided for a loan of Rs. 21 crores to this Corporation. It is now estimated that a sum of Rs. 5 crores each would be advanced to this Corporation during the current year as well as next year. Necessary provision has accordingly been made in the Demand "Loans and Advances by the Central Government". As the loan is to be met out of the Special Development Fund, withdrawals of equivalent amounts from the Fund have also been assumed.

OTHER ASSISTANCE

In addition, foreign assistance is also received from the Ford Foundation for a number of schemes in the field of education, public health, agriculture, social uplift, etc. These transactions are not passed through the Special Development Fund. During the current year a sum of Rs. 20 lakhs is expected to be received. Next Budget provides for a further assistance of Rs. 30 lakhs from this source.

Assistance is also received from certain specialised agencies of the United Nations Organisation such as United Nations Technical Assistance Administration, United Nations International Children's Emergency Fund, Food and Agricultural Organisation, etc.

Total assistance from the various countries by way of loans and grants was estimated at Rs. 325 crores in the current year's budget estimates This is now expected to be Rs. 259·95 crores during the current year and Rs. 336·65 crores during the next year. Of this, Rs. 21·59 crores this year and Rs. 36·88 crores next year are estimated to be received as grants and the balance of Rs. 238·36 crores this year and Rs. 299·77 crores next year, as loan.

ANNEXURE XIII

FOREIGN LOANS

A brief description of the loans from friendly foreign Governments and other institutions giving the anticipated receipts as well as repayments for the current and the next year is given below. A consolidated statement showing the estimates of receipts is also added at the end of this annexure. Estimates of repayments of the loans and outstanding balances are shown in Section II.

I. *LOANS FROM THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT.*

The details below give the progressive totals of the various loans contracted and actually received for the purposes specified during the years 1949-50 to 1957-58 with the revised and budget estimates for the current and next year.

(In lakhs of Rupees)

	First Railway Project Loan	Agricultural Machinery Project Loan	Bokaro-Konar Loan (DVC I)	Second D.V.C. Loan	Second Railway Project Loan	Third D.V.C. Loan	Third Railway Project Loan	New Loans to be negotiated
(1) Amount contracted	15,42	3,43	8,81	5,00	42,86	11,90	40,48	..
(2) Amounts drawn during—								
1949-50	11,34	1,38	..	..	..	..	..	..
1950-51	4,28	55	2,92	..	..	..	..	..
1951-52	..	7	88	..	..	..	..	..
1952-53	..	40	2,70	..	..	..	..	..
1953-54	..	1,03	50	..	..	..	..	..
1954-55	..	..	63	4	..	..	..	..
1955-56	..	..	1,19	1,25	..	..	..	..
1956-57	..	..	5	2,69	..	..	..	..
1957-58	..	..	..	97	26,40	..	..	..
1958-59 (Revised)	..	..	..	4	16,46	7,16	40,48	..
1959-60 (Budget)	..	..	..	..	..	2,36	..	27,00
TOTAL	15,62	3,43	8,87	4,99	42,86	9,52	40,48	27,00

An Agreement was signed in July, 1958 with the International Bank for Reconstruction and Development under which the Bank has afforded a credit of $ 25 million (Rs. 11,90 lakhs) to meet D.V.C.'s foreign exchange costs of the machinery for Thermal Stations at Bokaro and Durgapur. Another agreement of $ 85 million (Rs. 40,48 lakhs) was signed in September, 1958 for meeting a part of the foreign exchange requirements of Railways' Development Programme. The third D.V.C. Project Loan of $ 25 million carries interest at 5⅜ per cent. per annum and is repayable in 35 half-yearly instalments commencing from 1st August, 1961. The third Railway Project Loan of $ 85 million carries interest at 5¾ per cent. per annum and is repayable in 33 half-yearly instalments commencing from 15th January, 1963.

The I.B.R.D. have had under consideration the financing of the Koyna Hydro-electric Project in Bombay State and a further scheme for the development of Railways. It is expected that negotiations for loans in these two cases will take place in the financial year 1959-60.

Provision has been included for repayment this year of Rs. 1,12 lakhs for the first Railway Project Loan, Rs. 43 lakhs for the Bokaro-Konar Project Loan and Rs. 15 lakhs for the second D.V.C. Loan. Budget next year provides for Rs. 1,16 lakhs for the repayment of the first Railway Project Loan, Rs. 44 lakhs for the Bokaro-Konar Project Loan and Rs. 16 lakhs for the second D.V.C. Loan.

II. *LOANS FROM THE GOVERNMENT OF UNITED STATES OF AMERICA.*

	(In lakhs of Rs.)
(*a*) *Wheat loan*:	
Amount contracted	90,31
Amount drawn during :—	
1951-52	59,83
1952-53	30,48
TOTAL	90,31

The American Wheat Loan carries interest at 2½ per cent. p.a. and is repayable in 60 semi-annual instalments beginning from June, 30, 1957. The Government of U.S.A. have now agreed to the postponement of repayment of principal and payment of interest due from December 31, 1958 to June, 30, 1967. These deferred payments will be resumed at the end of the present repayment schedule with the result that the terminal date of repayment will be postponed from June 30, 1986 to June 30, 1995. No interest will be charged on the amounts of principal and interest deferred.

A provision of Rs. 55 lakhs has accordingly been included for repayment of only one instalment of the loan in current year only.

(b) *Development Assistance Loans*:

Under the agreements signed with the Government of U.S.A. in 1955, 1956 and 1957, loan assistance of $ 45·0 million, $ 37·5 million and $ 47 5 million respectively has been made available to the Government of India for purchase of certain materials and equipment such as railway rolling stock, steel, fertilizers, tube-wells casings etc. and surplus agricultural commodities like wheat and cotton. In respect of supplies of agricultural commodities payments are made in rupees into the U.S. Government title account in India out of which loans are advanced by the Government of U.S.A. to the Government of India.

These loans are repayable in 40 years in half-yearly instalments beginning 4 years after the end of the month in which the first disbursement is made against each loan. The rate of interest is 3 per cent., if paid in U.S. dollars and 4 per cent., if paid in Indian currency. Government of India have chosen the second alternative. The first loan was drawn in full by the end of 1957-58 and its repayment starts with effect from the current year. Against the second and third loan together, Rs. 24 crores is expected to be drawn during the current year and Rs. 11·94 crores during 1959-60 and credits have been assumed in the budget accordingly.

Provision has been made for repayment of Rs. 0·47 lakhs and Rs. 2·37 lakhs in respect of the first Development Assistance Loan during the current year and the next year respectively.

(c) *Loans under U.S. Public Law* 480:

The Agricultural Commodities Agreement between the Government of U.S.A. and the Government of India was signed on 29th August, 1956 under title I of the U.S. Government Agricultural Trade Development Assistance Act of 1954 (commonly known as P.L. 480). It provides for the sale of surplus agricultural commodities like wheat, rice, cotton, tobacco etc. worth $ 302·90 million during the three years ending 30th June, 1959. In addition the U.S. Government agreed to finance 50 per cent. of the total ocean freight to the extent of $ 59·5 million. The Rupee equivalent of the dollar cost of these commodities plus 50 per cent. ocean freight costs is deposited in the U.S. Government Title Account in India.

Out of the rupee accruals a rupee loan equivalent to $ 234·1 million has been authorised to the Government of India. The loan agreement, which was signed on 28th June, 1957, provides for repayment of principal in 40 years. Interest is payable at the rate of 3 per cent. if the payment is made in dollars and at 4 per cent. if payment is made in rupees.

Two supplementary P.L. 480 agreements were signed on 23rd June, 1958, and 26th September, 1958 covering an amount of $ 57 million and $ 238·8 million respectively for the purchase of wheat, maize and milo. Out of the rupee funds accruing to the U.S. Government under the two Supplementary Agreements, a rupee loan equivalent to $ 149·7 million is expected to be given to the Government of India for promotion of economic development.

The current year's Revised Estimates and the next year's Budget Estimates assume credits of Rs. 6 crores and Rs. 55 crores respectively in respect of these loans.

(d) *Loans from the U.S. Development Loan Fund*:

(i) Under an agreement entered into on 23rd June 1958 the Government of U.S.A. have agreed to provide a total loan of $ 75 million out of the "Development Loan Fund" comprising of two separte loans. The first loan of $ 40 million is being made available for the modernisation and

expansion of Indian Railways. This loan carries interest of 3½ per cent. per annum, payable semi-annually on 30th June and 31st December each year on the unpaid balance of the principal from time to time. The first instalment of the interest on the loan fell due on 31st December, 1958. The principal is repayable in 40 equal consecutive semi-annual instalments beginning from 30th June, 1959.

The second loan of $ 35 million is being made available for the development of road transport, cement and jute industries. The rate of interest is 5¼ per cent. per annum payable semi-annually on 30th June and 31st December each year on the outstanding balance from time to time beginning with 31st December, 1958. The loan is to be repaid in 30 equal semi-annual instalments, the first of which falls due on 30th June 1959.

Credits of Rs. 14·38 crores and Rs. 15·96 crores have been assumed in the current year and the next year respectively in respect of these two loans. Provision has also been made for repayment next year of Rs. 206·31 lakhs on account of this loan.

(ii) Under another agreement, signed on 24th December, 1958, the Government of U.S.A. have agreed to provide further loan of $ 100 million from U.S. Development Loan Fund. This loan would be utilised for modernisation and expansion of Indian Railways, import of structural and other Steel, and import of machinery and equipment for various capital projects.

The rate of interest would vary from 3½ per cent. to 5¾ per cent. The repayment is on half-yearly basis depending on the date of first drawal of each project loan. A credit of Rs. 13·33 crores has been assumed in the Revised Estimates for the current year and Rs. 32·04 crores for next year. Next budget also provides for repayment of Rs. 25 lakhs on account of these loans.

(e) *Loan from the U.S. President's Asian Economic Development Fund*:

Under an agreement entered into on 30th June, 1958, the Government of U.S.A. agreed to provide a loan of $ 20 million from the U.S. President's Asian Economic Development Fund for the development of the Iron Ore Mines in Orissa. The loan carries interest at 3½ per cent. per annum from the end of the month in which first disbursement is made and is repayable semi-annually. The principal is repayable in 31 half-yearly instalments beginning 3 years after the end of the month in which the first disbursement is made. A receipt of Rs. 3·11 crores is anticipated on account of this loan during the next year.

III. *LOANS FROM THE U.S. EXPORT-IMPORT BANK.*

An agreement was signed with the U.S. Export-Import Bank on the 12th June, 1958 for a credit of $ 150 million. This credit is for procurement in the United States of capital equipment, machinery and services for irrigation and reclamation, power transport and communications, mining and certain selected industries like textiles, chemicals, fabrication of heavy structurals and electrical equipment and machine tools. The loan is repayable in 20 equal semi-annual instalments commencing from 15th January, 1964 and interest is payable on the outstanding balance from time to time at 5½ per cent. per annum. The Revised Estimates for the

current year and Budget Estimates for the next year assume credits of Rs. 2 crores and Rs. 25·25 crores respectively on this account.

IV. *LOANS FROM THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS.*

(a) *Loan for the Bhilai Steel Project*:

An Agreement was signed in February, 1955, with the Government of U.S.S.R. for the supply of plant, machinery, equipment, etc. worth about Rs. 63 crores, approximately, on credit for the Bhilai Steel Project. The Agreement provides that credit afforded for each consignment shall be repaid in twelve equal annual instalments with interest at 2½% per annum. The Revised Estimates, 1958-59 include Rs. 30·66 crores as the anticipated cost of equipment, etc. to be received from the Government of U.S.S.R. and Rs. 4·34 crores towards repayment of the loan. The Budget Estimates for 1959-60 assume Rs. 9·97 crores and Rs. 5·26 crores, respectively for the same purpose.

(b) *Loan for industrial enterprises in India*:

Under another agreement with the Soviet Government concluded on 9th November, 1957, that Government agreed to provide a credit of 500 million roubles (about Rs. 60 crores) for the establishment of a heavy machine building plant, an optical glass factory, a coal mining machinery plant, a thermal power station based on lignite and for enterprises in the Korba Coal fields.

The rate of interest is 2½ per cent. and the credit is to be repaid in 12 equal annual instalments; the first such payment falling due a year after completion of delivery of machinery and equipment for each industrial enterprise.

Anticipated receipts on account of this loan are Rs. 76 lakhs and Rs. 15,74 lakhs during the current year and the next year respectively.

V. *LOANS FROM WEST GERMANY.*

An agreement was signed with the West German Government on 26th February, 1958 for postponement of payments falling due in respect of the Rourkela Steel Plant by three years upto a total amount of D.M. 660 million. The rate of interest is 6 per cent. per annum. In addition, there will be an administrative or service charge of 0'3 per cent per annum.

The deferred payments are likely to be of the order of Rs. 31·71 crores and Rs. 13 91 crores during the current and the next years respectively for which equivalent credit has been assumed in the budget.

The West German Government have also agreed to provide a further credit of Rs. 19 crores which will comprise of two parts as indicated below:--

(i) The first part of Rs. 5·4 crores is repayable in 5 years with the first instalment due after 3½ years. Repayment of 2/3rd of this amount can, however, be postponed by another 4 years at the option of the Government of India. The rate of interest is 1½ per cent. above the rate which the Deutsche Bundesbank shall have charged for advances on securities on the day preceding the disbursement of the loan.

(ii) The second part of Rs. 13·6 crores is being made available for a period of 20 years with repayment commencing after 6 years. The rate of interest is the rate at which the Kreditanstaltfür Wiederaufban can raise the money in the German market plus 0·7 per cent. as service and administrative charges.

Rs. 4 crores and Rs. 15·04 crores are expected to be received on account of this loan during the current year and in the next year respectively.

VI. *LOANS FROM THE UNITED KINGDOM.*

(a) *Credits for Durgapur Steel Plant*:

(i) *U.K. Government credits.*—An agreement was signed on 30th June, 1958 with the U.K. Export Credit Guarantee Department for a credit of £ 15 million for payment to suppliers of equipment for the Durgapur Steel Plant. The rate of interest is that for similar loans for a comparable period from the U.K. Consolidated Fund plus ¼th of 1 per cent. for administrative charges. The loan is to be repaid in 4 equal and consecutive annual instalments of £ 3·75 million each, the first instalment being payable on 1st July following the date of 7 calendar years from the date of first drawal of the loan or 1st July, 1966 whichever is earlier.

Credits of Rs. 18 crores this year and Rs. 2 crores next year have been assumed in this regard.

(ii) *Loan from Messrs. Lazard Bros. & Co. Ltd.*—An agreement was entered into on the 5th January, 1957, with Messrs. Lazard Brothers and Company, London, a Syndicate of private banks, for a credit of £ 11·5 million. The credit carries an interest of 1 per cent. above the U.K. bank rate with a minimum of 4½ per cent. per annum. The repayment is to be in 5 semi-annual instalments beginning on 1st January, 1962. Anticipated receipts during the current year and the next year are Rs. 8·67 crores and Rs. 4·66 crores respectively.

(b) *Other Credits*:

An agreement was signed with the U.K. Government on the 20th December, 1958, in respect of a credit of £ 28·5 million. This credit will be in two parts, one comprising £ 9·5 million and the other £ 19 million. The first part of £ 9·5 million is repayable in 10 equal and consecutive half-yearly instalments, beginning from 1st July, 1964. The second part of £ 19 million is repayable in 30 consecutive half-yearly instalments commencing on 1st July, 1964 and comprising of 29 instalments of £ 634,000 each and the last instalment of £ 614,000 on 1st July, 1979. The entire loan of £ 28·5 million carries interest at the rate currently applied by the U.K. Treasury on the date of drawals to a loan for a comparable period out of the U.K. Consolidated Fund plus one quarter of 1 per cent. per annum for administrative charges. The interest is payable half-yearly on 1st January and 1st July. Anticipated receipts during the current year and the next year against this loan are Rs. 4 crores and Rs. 34 crores respectively for which credits have been assumed in the Budget.

VII. *LOANS FROM JAPAN.*

(a) *Japanese Export-Import Bank Credits:*

An agreement was reached with the Japanese Government on 4th February, 1958 for a credit of 18 billion Yen to be made available over a period of 3 years from 1st April, 1958 through the Japanese Export-Import Bank. The loan is to be utilised for purchase in Japan of railway, power, ships, port equipment, coal and iron ore mining and processing equipment, machine tools and industrial machinery. The loan has to be repaid within ten years from the date of the drawal of the loan. The rate of interest will be on the basis of normal level of interest charged by the World Bank. The Revised Estimates and next Budget assume credit of Rs. 1·00 crores and Rs. 10·60 crores respectively on account of this loan.

(b) *Loan for the Orissa Iron Ore Project:*

The Government of Japan have also agreed to provide a Yen loan of $ 8 million for the purchase of mining equipment and other materials from Japan on the terms and conditions to be agreed upon between the two Governments on deferred payment basis. Deferred payments during the next year on this account are estimated at Rs. 1·19 crores for which credit has been assumed in the budget.

VIII. *WHEAT LOANS FROM CANADA.*

Under an agreement signed on the 20th February, 1958, the Government of Canada agreed to afford credits upto $ 25 million for the purchase of Canadian wheat and flour during the period from January to July 1958. The loan which is repayable in Canadian dollars, bears interest at 4¼ per cent. per annum and is repayable in 7 equal annual instalments commencing from 31st March, 1961.

Under another agreement signed on 22nd October, 1958, the Canadian Government have provided a loan assistance to the extent of $ 8·8 million for the purchase of wheat and flour from Canada. The repayment of this loan is also to be made in Canadian dollars in seven equal annual instalments commencing from the 31st December, 1961, the rate of interest being 4¼ per cent. per annum.

Against both these loans wheat and flour worth Rs. 15:71 crores have already been received from Canada and a corresponding credit has been assumed in the Revised Estimates.

IX. *NEW CREDITS.*

In addition to the various loans mentioned above, some other loans are likely to be received during the next year. An *ad hoc* credit of Rs. 20 crores in the Budget Estimates for 1959-60 has been assumed on this account.

FOREIGN LOANS

Statement of Receipts

(In lakhs of Rupees)

	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
I. *U.K. Credits*—			
(*a*) U. K. Government Loans—			
(*i*) Durgapur	..	18,00	2,00
(*ii*) New Loans	..	4,00	34,00
(*b*) Lazard Bros	..	8,67	4,66
TOTAL—U. K. CREDITS	..	30,67	40,66
II. *I. B. R. D. Loans*—			
(*i*) Railway Project Loan II	13,58	16,46	..
(*ii*) Railway Project Loan III	..	40,48	..
(*iii*) D. V. C. Loan II	20	4	..
(*iv*) D. V. C. Loan III	..	7,16	2,36
(*v*) Loan for other projects likely to be negotiated during the year 1959-60	..	..	27,00
TOTAL—I.B.R.D.	13,78	64,14	29,36
III. *Loan from U.S.A.*—			
(*i*) Development Assistance Loan	22,85	24,00	11,94
(*ii*) Development Loan Fund I	33,00	14,38	15,96
(*iii*) Development Loan Fund II	..	13,33	32,04
(*iv*) U. S. President's Asian Economic Development Fund Loan	..	..	3,11
(*v*) P. L. 480	68,00	6,00	55,00
TOTAL—U. S. A.	123,85	57,71	118,05
IV. *Canadian Wheat Loan*	..	15,71	..
V *U. S. Export-Import Bank Loan*	67,00	2,00	25,25
VI. *Loan from U. S. S. R.*—			
(*i*) Bhilai Loan	35,00	30,66	9,97
(*ii*) Industrial Enterprises	..	76	15,74
TOTAL—U.S.S.R.	35,00	31,42	25,71
VII. *West German Loan*—			
(*i*) Rourkela Steel Plant	30,00	31,71	13,91
(*ii*) New Loans	..	4,00	15,04
TOTAL—WEST GERMANY	30,00	35,71	28,95
VIII. *Loan from Japan*—			
(*i*) Export-Import Bank	*15,13	1,00	10,60
(*ii*) Orissa Iron Ore	..	..	1,19
TOTAL—JAPAN	15,13	1,00	11,79
IX. *New Credits*	..	..	20,00
TOTAL—RECEIPTS	284,76	238,36	299,77

*The figure of 15,13 for 1958-59 (BE) represents *ad hoc* credit assumed for that year for the assistance on account of (*i*) Japan Export-Import Bank Loan ; (*ii*) U.S.S.R. Loan (500 m roubles) for industrial enterprises and loans from other unspecified sources.

ANNEXURE XIV

Statement of Investments in Industrial Undertakings and returns therefrom

This annexure is intended to show at one place the revenue accruing to Government as a result of investments made in industrial undertakings. Only those undertakings which are either wholly owned by Government or in which the Government have a controlling interest have been included.

(In lakhs of Rupees)

Name of the Concern or Undertaking	Investment by Government			Profits earned by Government			Percentage of Profit	
	To end of 1957-58	R. E. 1958-59	B. E. 1959-60	During 1957-58	Estimated Profit R. E. 1958-59	Estimated Profit B.E. 1959-60	1957-58	1959-60
1	2	3	4	5	6	7	8	9
A.—Departmentally run undertakings								
Department of Atomic Energy:								
Thorium Uranium Plant	93	..	12	..	..	..	..	..
B.—Autonomous Bodies and Government Companies								
Ministry of Commerce and Industry:								
1. State Trading Corporation	1,00	1,00	..	6	6	12	6	6
2. National Small Industries Corporation	40	..	..	Nil	Nil	Nil	..	..
3. National Industrial Development Corporation	10	..	..	@	@	@	@	@
4. Indian Explosives (P) Ltd.	40	20	..	Nil	Nil	Nil	..	..
5. Hindustan Antibiotics (Private), Ltd.	2,46	..	10	Nil	*	*	..	..
6. Hindustan Insecticides (Private), Ltd.	97	3	..	Nil	*	*	..	..
7. Hindustan Machine Tools (Private), Ltd.	3,90	95	55	Nil	Nil	Nil	..	..
8. National Instruments (P), Ltd.	91	..	..	Nil	4	29	..	28·5
9. Hindustan Salt Co. (P), Ltd.	..	14	25	..	*	*	..	..
10. Sindri Fertilizers and Chemicals (Private), Ltd.	17,00	..	..	85	85	85	5	5
11. Nahan Foundry (P), Ltd.	30	..	..	1	*	*	2	..
12. Hindustan Cables (Private), Ltd.	1,25	..	..	3	*	*	2	..
13. Export Risk Insurance Corporation	50	..	..	..	..	..	..	

(In lakhs of Rupees)

Name of the concern or undertaking	Investments by Government			Profits earned by Government			Percentage of Profit	
	To end of 1957-58	R E. 1958-59	B. E. 1959-60	During 1959-58	Estimated Profit R.E. 1958-59	Estimated Profit B.E. 1959-60	1957-58	1959-60
1	2	3	4	5	6	7	8	9
Ministry of Defence								
1. Hindustan Aircraft P). Ltd.	7,70	2,50	4,00	†	*	*	..	..
2 Bharat Electronics (P) Ltd.	4,06	50	75	..	..	..	..	..
Ministry of Education and Scientific Research								
National Research Development Corporation	10	..	..	Nil	Nil	Nil	..	..
Ministry of Finance								
1. International Finance Corporation	2,11		..	..	..	..	..	..
2. Life Insurance Corporation	5,00	..	..	..	..	..	..	..
Ministry of Irrigation and Power								
National Projects Construction Corporation	25	15	10	1	2	2	2½	5
Ministry of Rehabilitation								
Rehabilitation Housing Corporaiton Ltd., Delni.	5	..	..	Nil	..	..	..	..
Mimstry of Steel, Mines and Fuel								
1. Hindustan Steel (P), Ltd.	1,55,72	1,44,28	..	..	..	..	..	..
2. Natio Coal Development Corporation (Preivate), Ltd.	10,40	50	..	..	..	..	..	..
3 Neyveli Lignite Corpora ion (Private), Ltd.	9,18	6,50	13,00	..	..	..	..	..
4. Bolani Ores (P) Ltd.	10	20	5	..	..	..	..	..
5. Singareni Colleries (P). Ltd.	..	..	1,20	..	..	..	..	..

ANNEXURE XIV

(In lakhs of Rupees)

Name of the concern or undertaking	Investments made by Government			Profits earned by Government			Percentage of Profit	
	To end of 1957-58	R.E. 1958-59	B.E. 1959-60	During 1957-58	Estimated Profit 1958-59	Estimated Profit 1959-60	1957-58	1959-60
1	2	3	4	5	6	7	8	9
Ministry of Steel Mines and Fuel—contd.								
6. Mysore Iron & Steel Corporation	..	..	1	..	..	..	..	..
7. Orissa Mining Corporation	5	..	..	†	..	..	..	..
Ministry of Transport & Communications								
1. Eastern Shipping Corporation	5,50	90	1,95	†	..	..	..	..
2. Western Shipping Corporation	3,50	2,15	1,60	†	..	..	..	..
3. Indian Telephone Industries (P), Ltd.	3,59	..	..	7	7	*	2	..
4. Hindustan Ship Yards	3,99	40	27	..	..	..	..	..
Ministry of Works, Housing and Supply								
1. Hindustan Housing Factory (Private), Ltd.	1	..	40	†	..	..		
2. Ashoka Hotel (Private), Ltd.	84	.	50	.	..	..	..	..
Department of Atomic Energy								
1. Messrs. Indian Rare Earths Ltd.	64	..	..	..	..	..	..	..
2. Travancore Minerals (Private), Ltd.	25	..	..	†	*	*	..	..
TOTAL	2,42,23	1,60,40	25,23	1,03	1,04	1,28	..	..
Grand Total	2,43,16	1,60,40	25,35	1,33	1,04	1,28	..	..

@ Corporation operates on a no-profit-basis.

*Estimates of profit not available.

†Profit made by the Company/Corporation but dividend not declared.

ANNEXURE XV

PUBLIC BORROWINGS IN INDIA

The statement below compares the receipts on account of Rupee Loans floated and discharged, during the 5 years ending 1958-59 as compared with the figures assumed in the respective Budget Estimates:—

(In lakhs of Rs.)

	1954-55		1955-56		1956-57		1957-58		1958-59	
	Floated	Discharged	Floated	Discharged	Floated	Discharged	Floated	Discharged	Floated	Discharged
Rupee Loans—										
Budget Estimates	75,00	49,76	1,25,76	69,85	1,00,60	68	1,00,80	31,85	1,46,65	20,15
Actuals	1,58,65	46,15	1,04,13	69,08	1,58,16	80,02	1,36,82	67,47	2,03,18*†	21,62*

* Revised Estimates. †Excludes Rs 300 crores of Treasury Bills funded.

The net realisations during the 5 years ending 1958-59, would amount to Rs. 476·60 crores. In addition, a net sum of Rs. 20·82 crores was realised during the same period on the sale of Securities held in Government account. The total net credit on account of loans from the public thus amounts to Rs. 497·42 crores during the 5 years ending 1958-59.

ANNEXURE XVI

UNFUNDED DEBT

The statement below gives the credits and debits, during the years 1954-55 to 1958-59, under the head 'Unfunded Debt':—

(In lakhs of Rs.)

	Credit	Debit	Net credit
Budget, 1954-55	1,89,99	1,29,37	60,62
Actuals, 1954-55	2,14,59	1,44,10	70,49
Budget, 1955-56	2,16,41	1,47,81	68,60
Actuals, 1955-56	2,40,73	1,57,74	82,99
Budget, 1956-57	2,57,84	1,68,66	89,18
Actuals, 1956-57	2,69,09	1,91,66	77,43
Budget, 1957-58	2,93,70	1,95,28	98,42
Actuals, 1957-58	3,09,14	2,19,87	89,27
Budget, 1958-59	3,44,33	2,26,30	1,18,03
Revised, 1958-59	3,25,45	2,33,62	91,83

The total net realisations on account of State Provident Funds, Post Office Savings Bank Deposits, National Savings Certificates and other items falling under the head "Unfunded Debt" during the 5 years ending March, 1959 would amount to Rs. 412·01 crores.

ANNEXURE XVII

Statement showing contributions to International bodies

Name of Organisation	Nature and purpose of contribution	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
		Rs.	Rs.	Rs.
MINISTRY OF COMMERCE AND INDUSTRY				
1. International Customs Tariff Bureau.	Annual Contribution . .	28,300	28,400	28,400
2. International Cotton Advisory Committee, Washington.	Do.	16,700	16,700	16,700
3. General Agreement on Tariff and Trade.	Contribution to working expenses of the contracting parties.	38,000	36,000	47,000
4. International Tin Council.	Annual Contribution . .	21,000	21,000	21,000
5. International Study Group for Copper, Lead and Zinc.	Do.	..	..	7,000
6. International Convention for the Protection of Industrial Property Act.	Do.	10,000	..	10,000
7. International Organisation of Legal Metrology . . .	Do.	9,000	9,000	9,000
	TOTAL .	1,23,000	1,11,100	1,39,100
MINISTRY OF EDUCATION				
8. U.N.E.S.C.O. . .	Annual Contribution . .	14,00,000	13,97,000	15,00,000
9. Royal Asiatic Society	Do.	..	3,000	3,000
10. UNESCO Research Centre on social implications of industrialisation in South Asia.	Do.	1,66,000	1,66,000	1,66,000
	TOTAL . .	15,66,000	15,66,000	16,69,000
MINISTRY OF EXTERNAL AFFAIRS				
11. United Nations Organisation.	Annual Contribution . .	79,04,200	67,35,200	1,41,13,200
12. Commonwealth Economic Committee.	Do.	76,000	76,000	76,00
13. International Bureau of Permanent Court of Arbitration.	Do. . .	5,600	5,600	5,600

Name of Organisation	Nature and purpose of contribution	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
		Rs.	Rs.	Rs.
	MINISTRY OF EXTERNAL AFFAIRS—*Contd.*			
14. Asian African Legal Consultative Committee.	Annual Contribution . .	16,000	16,000	16,000
15. United Nations Relief and Works Agency.	Contribution towards relief programme for Palestine Refugees.	2,00,000	1,22,300	3,00,000
16. Afro-Asian Conference	India's share to the Joint Secretariat of the Bandung Conference.	..	10,300	..
	TOTAL .	82,01,800	69,65,400	1,45,10,800
	MINISTRY OF FINANCE			
17. United Nations Expanded Programme.	Annual Contribution . .	25,00,000	25,00,000	25,00,000
18. United Nations Technical Assistance Board	Contribution towards expenses of the Resident Representative.	1,00,000	1,00,000	1,00,000
19. U. N. Special Projects Fund.	Annual Contribution . .	..	..	24,00,000
20. Colombo Plan Bureau	Contribution towards expenses of the Bureau.	25,000	25,000	30,000
	TOTAL .	26,25,000	26,25,000	50,30,000
	MINISTRY OF FOOD AND AGRICULTURE			
21. Commonwealth Agricultural Bureau.	Annual Contribution . .	1,49 000	1,49 000	1,49,000
22. Food and Agricultural Organisation of the United Nations.	Do.	15,95,000	15,42,200	15,42,200
23. International Wheat Council.	Do.	7,000	7,000	7,000
24. International Dairy Federation.	Do.	4,000	3,800	6,000
	TOTAL .	17,55,000	17,02000	17,04,200
	MINISTRY OF HEALTH			
25. World Health Organisation.	Annual Contribution . .	20,00,000	19,41,700	20,00,000
26. Union International Centre, Le Cancer, Paris.	Do.	2,500	2,400	1,300
27. London School of Hygiene and Tropical Medicine.	Do.	..	1,000	1,000
28. International Hospital Federation, London.	Do.	500	500	1,000
29. International Committee of the Red cross.	Do.	75,000	75,000	75,000
30. League of Red Cross Societies, Geneva.	Do.	75,000	75,000	75,000

Name of Organisation	Nature and purpose of contribution	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
		Rs.	Rs.	Rs.
	MINISTRY OF HEALTH—*Contd.*			
31. United Nations International Children's Emergency Fund.	Annual Contribution . .	18,00,000	18,00,000	16,00,000
32. International Union against the venereal diseases and the Treponematoses.	Do.	..	..	500
	TOTAL .	39,53,000	38,95,600	37,53,800
	MINISTRY OF HOME AFFAIRS			
33. International Commission for Prevention of Alcoholism.	Annual Contribution . .	1,00,000	..	..
34. International Criminal Police Commission	Do.	14,900	14,900	14,900
	TOTAL .	14,900	14,900	14,900
	MINISTRY OF IRRIGATION AND POWER			
35. World Power Conference.	Annual Contribution . .	1,000	1,000	1,000
36. International Commission on Large Dams.	Do.	3,000	3,000	3,000
37. International Commission on Irrigation and Drainage.	Do.	2,000	2,000	2,400
	TOTAL .	6,000	6,000	6,400
	MINISTRY OF LABOUR AND EMPLOYMENT			
38. International Labour Organisation.	Annual Contribution . .	12,04,000	11,84,100	11,71,100
	MINISTRY OF SCIENTIFIC RESEARCH AND CULTURAL AFFAIRS			
39. International Copyright Union for the Protection of Literary and Artistic Works, Berne.	Annual Contribution . .	..	14,000	16,000
40. International Scientific Union.	Do.	1,03,000	1,16,000	1,04,000
41. Commonwealth Commission on Geology and Mineral Resources	Do.	..	6,000	6,000
	TOTAL .	1,03,000	1,36,000	1,26,000

Name of Organisation	Nature and purpose of contribution	Budget, 1958-59	Revised, 1958-59	Budget, 1959-60
		Rs.	Rs.	Rs.
MINISTRY OF TRANSPORT AND COMMUNICATIONS				
42. International Union of Official Travel Organisations, Geneva.	Annual Contribution . .	4,000	8,600	4,300
43. International Travel Research Institute, Geneva.	Do.	1,900	..	..
44. Pacific Area Travel Association.	Do.	900	16,700	16,700
45. South Asian and Travel Commission.	Do.	1,100	1,800	3,000
46. International Association of Lighthouse Authorities.	Do.	2,000	2,000	..
47. International Association for Bridge Structural Engineering, Zurich.	Do.	100	..	..
48. International Civil Aviation Organisation.	Do.	4,84,000	4,84,000	6,66,000
49. International Telecommunications Union, Geneva.	Contribution towards ordinary expenses for participating in Conferences and for cost of Publications.	2,46,000	2,55,100	4,38,000
50. International Meteorological Organisation.	Annual Contribution . .	60,000	63,000	80,000
51. Commonwealth Shipping Committee.	Do.	2,000	2,000	2,000
	TOTAL	8,02,000	8,33,900	12,10,000
DEPARTMENT OF ATOMIC ENERGY				
52. International Atomic Energy Agency.	Contribution to the budget of the Agency according to scale fixed.	5,00,000	9,50,000	10,00,000
LOK SABHA				
53. Inter-Parliamentary Union and Commonwealth Parliamentary	Annual Contribution . .	34,000	34,000	34,000
	GRAND TOTAL	2,09,87,700	2,00,24,000	3,03,69,300

ANNEXURE XVIII

ANNEXURE

INCOME-TAX PAYABLE AS

Statement showing in selected cases tax payable and as a percentage of

Income	Tax at 1959-60 rates on Total Income							
	MARRIED PERSONS				MARRIED WITH ONE CHILD			
	Wholly earned	Percentage	Wholly unearned	Percentage	Wholly earned	Percentage	Wholly unearned	Percentage
1	2	3	4	5	6	7	8	9
Rs.	Rs.		Rs.		Rs.		Rs.	
3,000	..	..	..	..	..	..	..	..
3,200	6	0·2	6	0·2	..	..	..	..
3,600	18	0·5	18	0·5	9	0·2	9	0·2
4,200	36	0·9	36	0·9	27	0·6	27	0·6
4,800	54	1·1	54	1·1	45	0·9	45	0·9
5,000	60	1·2	60	1·2	51	1·0	51	1·0
6,000	120	2·0	120	2·0	111	1·8	111	1·8
7,200	192	2·7	192	2·7	183	2·5	183	2·5
8,400	305	3·6	349	4·2	296	3·5	338	4·0
9,600	419	4·4	479	5·0	409	4·3	468	4·9
10,000	457	4·6	522	5·2	447	4·4	510	5·1
12,000	688	5·7	786	6·5	678	5·6	775	6·5
13,200	848	6·4	970	7·3	839	6·4	959	7·3
14,400	1,025	7·1	1,171	8·1	1,015	7·0	1,160	8·1
15,000	1,113	7·4	1,272	8·5	1,103	7·4	1,261	8·4
16,800	1,453	8·6	1,661	9·9	1,444	8·6	1,650	9·8
18,000	1,680	9·3	1,920	10·7	1,670	9·3	1,909	10·6
20,000	2,058	10·3	2,352	11·8	2,048	10·2	2,341	11·7
24,000	3,381	14·1	3,864	16·1	3,381	14·1	3,864	16·1
25,000	3,696	14·8	4,224	16·9	3,696	14·8	4,224	16·9
30,000	5,796	19·3	6,624	22·1	5,796	19·3	6,624	22·1
36,000	8,631	24·0	9,864	27·4	8,631	24·0	9,864	27·4
40,000	10,521	26·3	12,024	30·1	10,521	26·3	12,024	30·1
42,000	11,676	27·8	13,344	31·8	11,676	27·8	13,344	31·8
45,000	13,408	29·8	15,324	34·1	13,408	29·8	15,324	34·1
48,000	15,141	31·5	17,304	36·0	15,141	31·5	17,304	36·0
55,000	19,446	35·4	22,224	40·4	19,446	35·4	22,224	40.4
60,000	22,596	37·7	25,824	43·0	22,596	37·7	25,824	43·0
66,000	26,691	40·4	30,504	46·2	26,691	40·4	30,504	46·2
70,000	29,421	42·0	33,624	48·0	29,421	42·0	33,624	48·0
72,000	30,891	42·9	35,304	49·0	30,891	42·9	35,304	49·0
84,000	39,711	47·3	45,384	54·0	39,711	47·3	45,384	54·0
85,000	40,446	47·6	46,224	54·4	40,446	47·6	46,224	54·4
90,000	44,121	49·0	50,424	56·0	44,121	49·0	50,424	56·0
96,000	48,531	50·6	55,464	57·8	48,531	50·6	55,464	57·8
1,00,000	51,471	51·5	58,824	58·8	51,471	51·5	58,824	58·8
1,50,000	89,971	60·0	1,00,824	67·2	89,971	60·0	1,00,824	67·2
2,00,000	1,28,471	64·2	1,42,824	71·4	1,28,471	64·2	1,42,824	71·4
2,50,000	1,66,971	66·8	1,84,824	73·9	1,66,971	66·8	1,84,824	73·9
3,00,000	2,05,471	68·5	2,26,824	75·6	2,05,471	68·5	2,26,824	75·6
3,50,000	2,43,971	69·7	2,68,824	76·8	2,43,971	69·7	2,68,824	76·8
4,00,000	2,82,471	70·6	3,10,824	77·7	2,82,471	70·6	3,10,824	77·7
5,00,000	3,59,471	71·9	3,94,824	79·0	3,59,471	71·9	3,94,824	79·0
10,00,000	7,44,471	74·4	8,14,824	81·5	7,44,471	74·4	8,14,824	81·5
20,00,000	15,14,471	75·7	16,54,824	82·7	15,14,471	75·7	16,54,824	82·7
30,00,000	22,48,471	76·1	24,94,824	83·2	22,84,471	76·1	24,94,824	83·2

N.B.—Hindu undivided families the amount of tax and percentages are also as shown not more than Rs 6,000 if there are at least two members entitled to claim partition.

XVIII

PERCENTAGE OF TOTAL INCOME

income on incomes ranging from Rs. 3,000 to Rs. 30,00,000

Tax at 1959-60 rates on Total Income								
MARRIED WITH MORE THAN ONE CHILD				UNMARRIED				
Wholly earned	Percentage	Wholly unearned	Percentage	Wholly earned	Percentage	Wholly unearned	Percentage	Income
10 Rs.	11	12 Rs.	13	14 Rs.	15	16 Rs.	17	18 Rs.
..	..	..	..	..	..	..	..	3,000
..	..	..	..	66	2.1	66	2.1	3,200
..	..	..	..	78	2.2	78	2.2	3,600
18	0.4	18	0.4	96	2.3	96	2.3	4,200
36	0.7	36	0.7	114	2.4	114	2.4	4,800
42	0.8	42	0.8	120	2.4	120	2.4	5,000
02	1.7	102	1.7	180	3.0	180	3.0	6,000
174	2.4	174	2.4	252	3.5	252	3.5	7,200
283	3.4	328	3.9	369	4.4	421	5.0	8,400
400	4.2	457	4.7	482	5.0	551	5.7	9,600
438	4.3	500	5.0	520	5.2	594	5.9	10000
669	5.6	764	6.4	751	6.3	858	7.1	12,000
829	6.3	948	7.2	911	7.0	1,042	7.9	13,200
1,006	7.0	1,510	8.0	1,088	7.6	1,243	8.6	14,400
1,094	7.3	1,250	8.3	1,176	7.8	1,344	9.0	15,000
1,434	8.5	1,639	9.8	1,516	9.0	1,733	10.3	16,800
1,661	9.2	1,898	10.5	1,743	9.7	1,992	11.1	18,000
2,039	10.2	2,330	11.6	2,121	10.6	2,424	12.1	20,000
3,381	14.1	3,864	16.1	3,381	14.1	3,864	16.1	24,000
3,696	14.8	4,224	16.9	3,696	14.8	4,224	16.9	25,000
5,796	19.3	6,624	22.1	5,796	19.3	6,624	22.1	30,000
8,631	24.0	9,864	27.4	8,631	24.0	9,864	27.4	36,000
10,521	26.3	12,024	30.1	10,521	26.3	12,024	30.1	40,000
11,676	27.8	13,344	31.8	11,676	27.8	13,344	31.8	42,300
13,408	29.8	15,324	34.1	13,408	29 8	15,324	34.1	45,400
15,408	31.5	17,304	36.0	15,141	31.5	17,304	36.0	48,000
19,141	35.4	22,224	40.4	19,446	35.4	22,224	40.4	55,000
22,446	37.7	25,824	43.0	22,596	37.7	25,824	43.0	60,000
26,691	40.4	30,504	46.2	26,691	40.4	30,504	46.2	66,000
29,421	42.0	33,624	48.0	29,421	42.0	33,624	48.0	70,000
30,891	42.9	35,304	49.0	30,891	42.9	35,304	49.0	72,000
39,711	47.3	45,384	54.0	39,711	47.3	45,384	54.0	84,000
40,446	47.6	46,224	54.4	40,446	47.6	46,224	54.4	85,000
44,121	49.0	50,424	56.0	44,121	49.0	50,424	56.0	90,000
48,531	50.6	55,464	57.8	48,531	50.6	55,464	57.8	96,000
51,471	51.5	58,824	58.8	51,471	51.5	58,824	58.8	1,00,000
89,971	60.0	1,00,824	67.2	89,971	60.0	1,00,824	67.2	1,50,000
1,28,471	64.2	1,42,824	71.4	1,28,471	64.2	1,42,824	71.4	2,00,000
1,66,971	66.8	1,84,824	73.9	1,66,971	66.8	1,84,824	73.9	2,00,000
2,05,471	68.5	2,26,824	75.6	2,05,471	68.5	2,26,824	75.6	3,00,000
2,43,971	69.7	2,68,824	76.8	2,43,971	69.7	2,68,824	76.8	3,00,000
2,82,471	70.6	3,10,824	77.7	2,82,471	70.6	3,10,824	77.7	4,00,000
3,59,471	71.9	3,94,824	79.0	3,59,471	71.9	3,94,824	79.0	5,00,000
7,44,471	74.4	8,14,824	81.5	7,44,471	74.4	8,14,824	81.5	10,00,000
15,14,471	75.7	16,54,824	82.7	15,14,471	75.7	16,54,824	82.7	20,00,000
22,84,471	76.1	24,94,824	83.2	22,84,471	76.1	24,94,824	83.2	30,00,000

for 'married persons' above except that such families are not liable to pay tax if the income is

ANNEXURE

SUMMARY OF

(In crores of Rupees)

RECEIPTS	Accounts, 1953-54	Accounts, 1954-55	Accounts, 1955-56	Accounts, 1956-57	Accounts, 1957-58	Revised, 1958-59	Budget, 1959-60
1. Revenue Surplus	8·50	33·51	40·45	89·40	42·05	..	..
2. Rupee Loans raised	75·30	1,58·10	1,03·68	1,57·74	136·17	502·41	225·00
3. Special Floating Loan issued	..	..	..	..	..	..	95·24
4. Net sales from Cash Balance Investment Account	46·21	3·14	20·46	..	·05	·06	2·06
5. Other Loans	1·53	·68	2·67	10·84	32·47	238·36	299·77
6. Small Savings (Net)	37·81	55·16	66·55	59·01	69·45	75·00	85·00
7. Repayment of Loans by—							
(*a*) State	13·21	17·47	25·22	34·60	61·40	78·96	95·37
(*b*) Other	5·69	6·48	8.10	7·49	13·28	15·57	15·32
8. Railway Funds—							
(*a*) Depreciation Reserve	33·98	33·72	48·68	47·68	49·38	48·23	47·39
(*b*) Revenue Reserve	1·13	1·19	8·51	1·53	1·70	1·10	1·74
(*c*) Development	3·30	9·70	7·57	20·64	13·64	23·21	32·07
Treasury Bills (Net)	19·66	1,36·92	1,23·38	2,40·45	459·43	—20·00	237·00
10. Other debt heads (Net)	22·78	37·08	46·39	65·63	51·53	67·23	126·90
11. Opening Balance	99·14	37·49	32·23	—4·65	50·96	51·81	50·12
TOTAL	3,68·24	5,30·64	5,33·89	7,30·31	9,81·51	1,081·94	1,312·98

ANNEXURE XIX

XIX

WAYS AND MEANS

(In crores of Rupees)

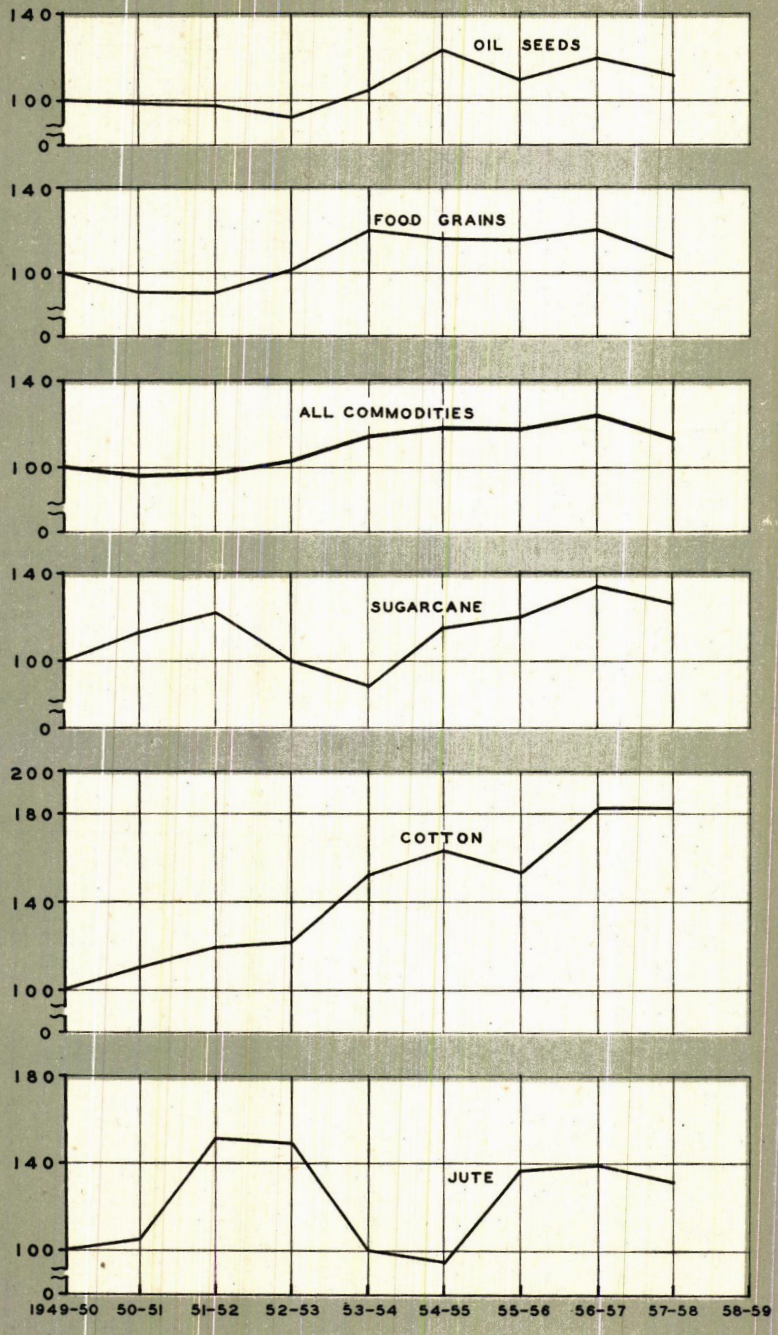
DISBURSEMENTS	Accounts, 1953-54	Accounts, 1954-55	Accounts, 1955-56	Accounts, 1956-57	Accounts, 1957-58	Revised, 1958-59	Budget, 1959-60
1. Revenue Deficit	..	..	..	..	..	59·95	59·08
2. Capital Expenditure—							
(*a*) Defence	10·16	8·47	17·59	19·70	22·93	27·90	32·74
(*b*) Railways	11·85	32·25	67·52	1,07·38	1,51·90	1,20·88	1,21.81
(*c*) Others	2·17	1,26·69	42·25	1,47·43	2,56·73	2,65;40	3,22.98
3. Loans by Central Government to—							
(*a*) States	1,24·03	1,93·27	2,48·87	1,98·32	2,75·98	3,00·41	2,91.08
(*b*) Others	19·33	29·70	32·01	56·90	58·33	1,15·91	2,c6·36
4. Discharge of debt	1,15·38	49·43	72·29	83·23	74·68	29 09	1,30·27
5. Net purchase in Cash Balance Investment Account	..	..	..	2·89	..	..	..
6. Drawal from Railway Funds—							
(*a*) Depreciation Reserve.	38·02	45·82	45·89	43·70	63·62	81·88	66·70
(*b*) Revenue Reserve.	..	..	—·02	..	..	..	—
(*c*) Development	9·81	12·78	12·14	19·85	25·53	30·40	32·07
7. Closing Balance	37·49	32·23	—4·65	50·96	51.81	50·12	49·93
TOTAL . .	3,68·24	5,30·64	5,33·89	7,30·36	9,81.51	1,081·94	1,312·98

GMGIPND—DME—80 M. of Finance—2-1-60—225.

1.

INDICES OF AGRICULTURAL PRODUCTION

1949-50=100

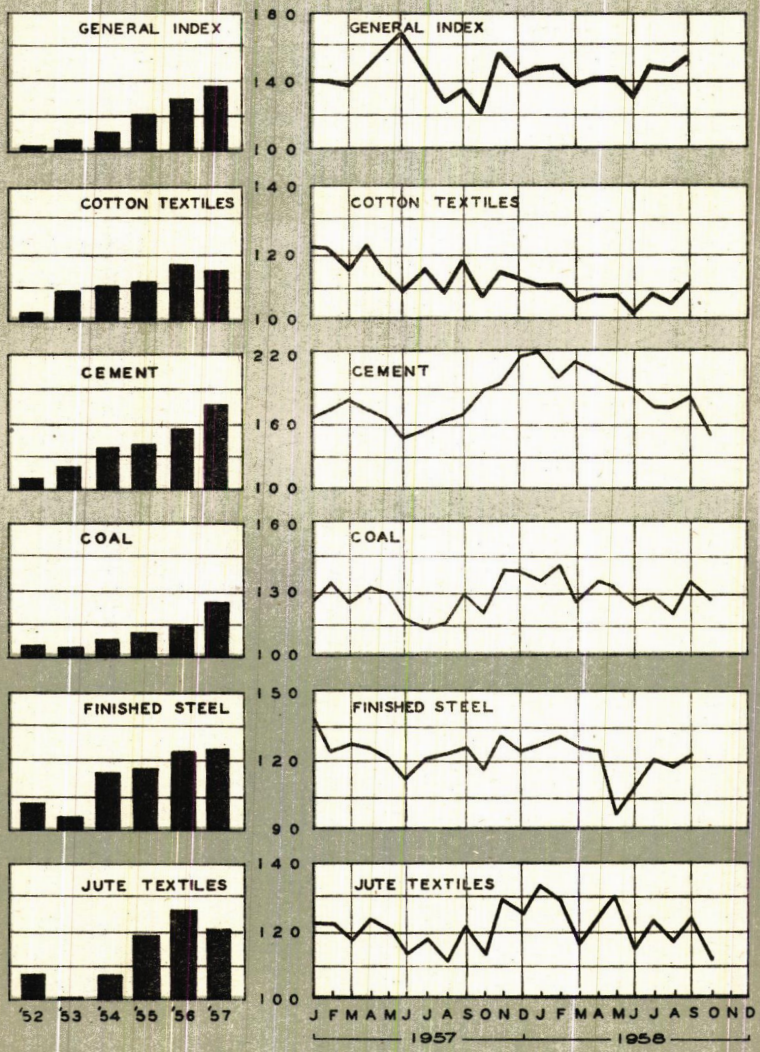


MINISTRY OF FINANCE, ECONOMIC DIVISION.

2.

INDEX NUMBERS OF INDUSTRIAL PRODUCTION

(1951=100)

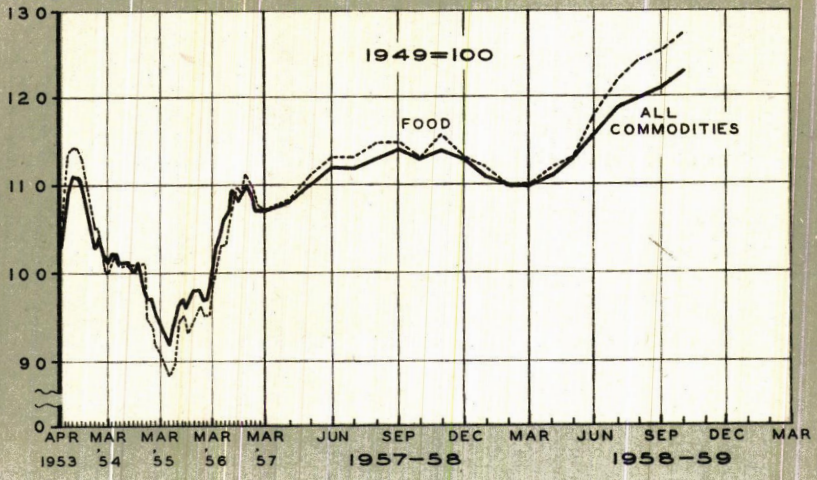


MINISTRY OF FINANCE, ECONOMIC DIVISION.

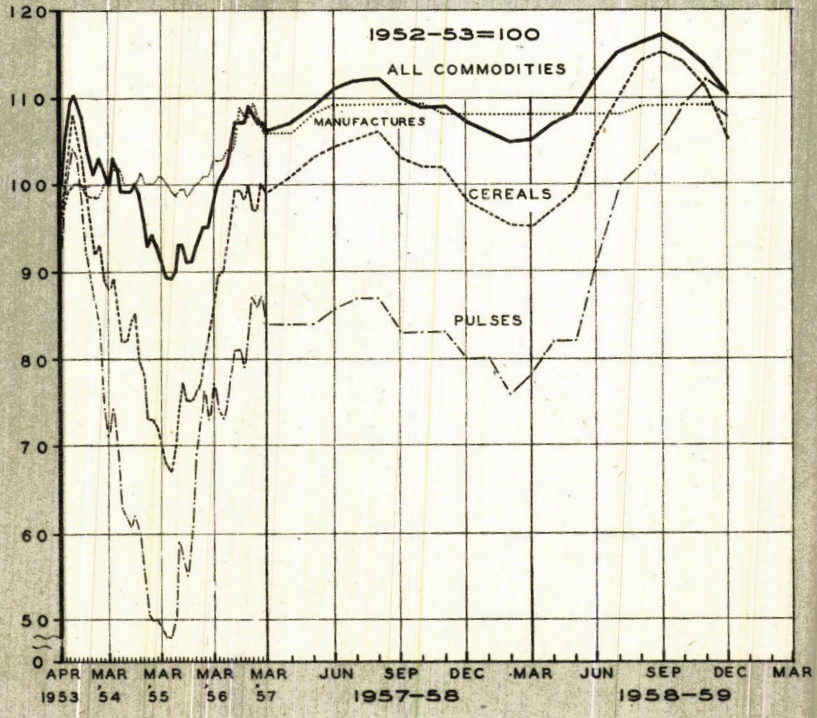
3.

PRICES

ALL-INDIA WORKING CLASS CONSUMERS' PRICE INDEX NUMBER



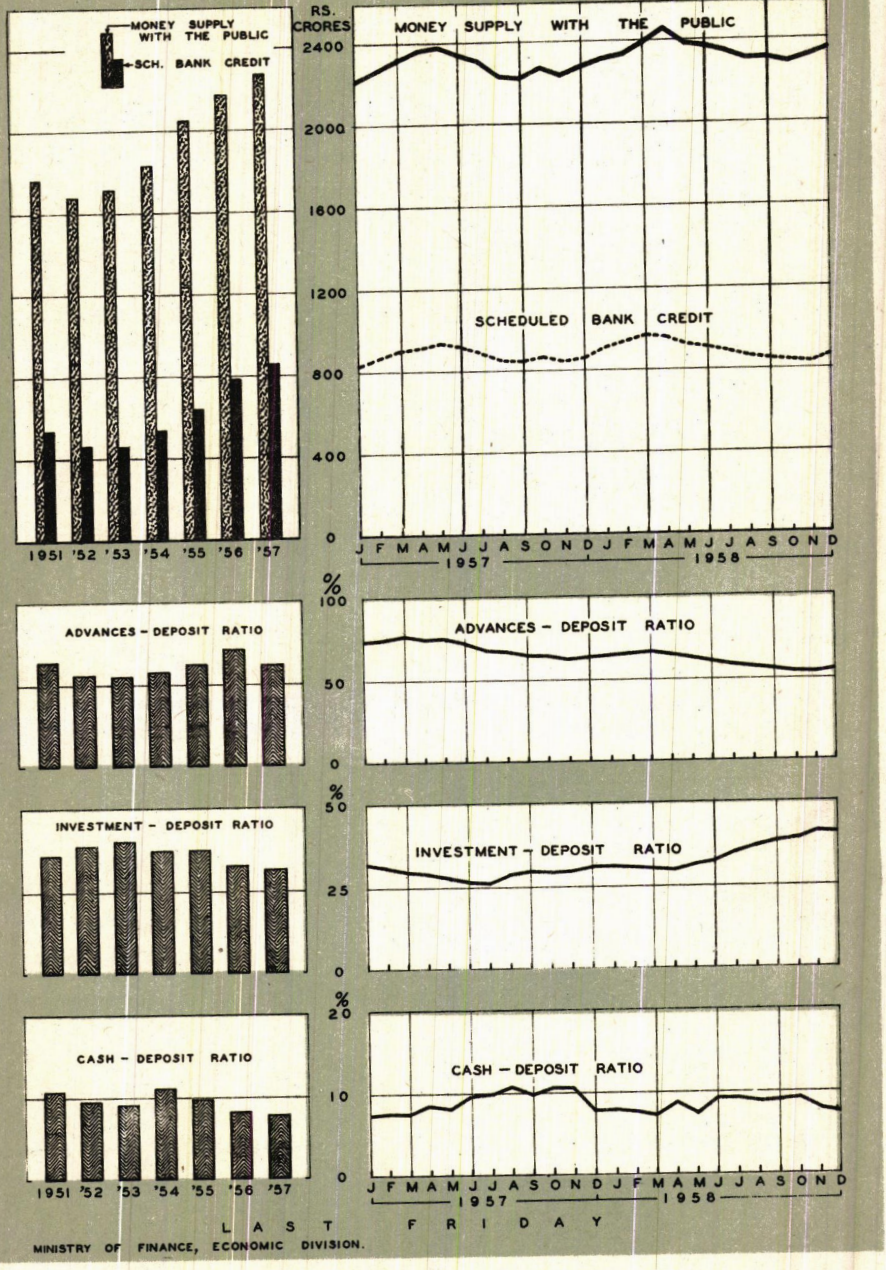
INDEX NUMBER OF WHOLESALE PRICES



MINISTRY OF FINANCE, ECONOMIC DIVISION.

4.

MONETARY INDICATORS

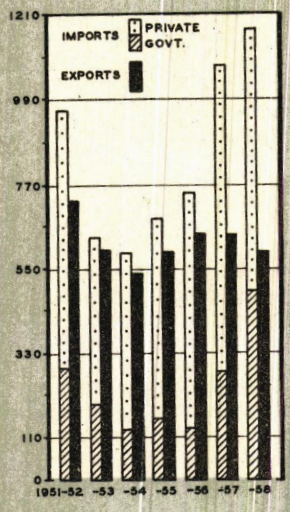


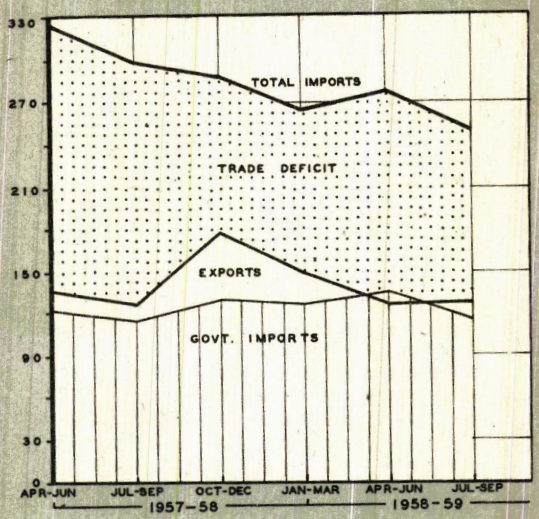
MINISTRY OF FINANCE, ECONOMIC DIVISION.

5.

BALANCE OF PAYMENTS

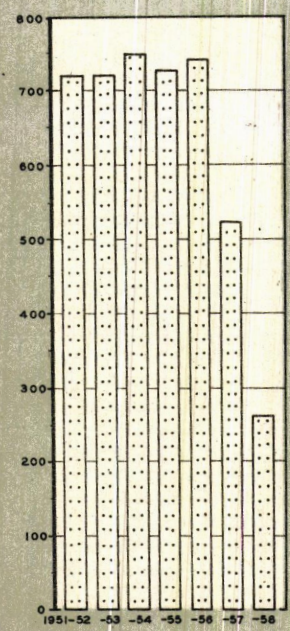
RS. CRORES

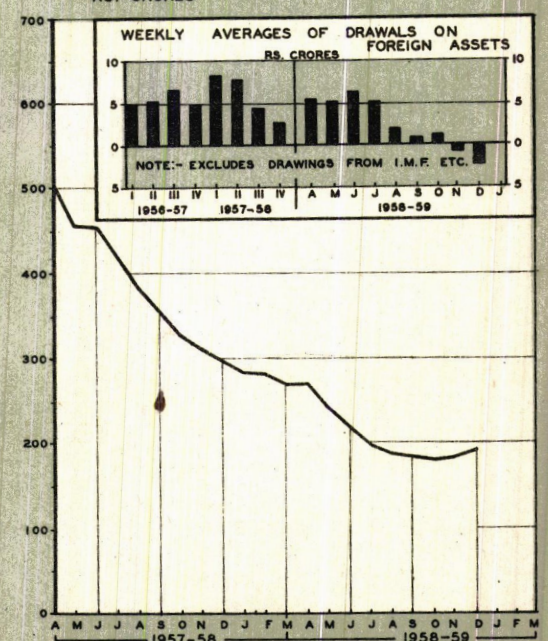




FOREIGN ASSETS OF THE RESERVE BANK

RS. CRORES





L A S T F R I D A Y

MINISTRY OF FINANCE, ECONOMIC DIVISION.